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# Latin America Report

No. 2235

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# LATIN AMERICA REPORT

No. 2235

# CONTENTS

# ENTERGY ECONOMICS

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INTER	- 420				1165
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	Brazilian-Uruguayan Energy Technology To Be Exchanged (O ESTADO DE SAO PAULO, 26 Nov 80; GAZETA MERCANTIL,	
	26 Nov 80)	1
	Brazilian Technology for Uruguay Uruguay: Areas of Cooperation, by Delmar Marques de Rivera	
BRAZIL		
	New Petrochemical Complex Inaugurated by Former President (Ib Teixeira; MANCHETE, 6 Dec 80)	4
	Private Industry Reluctant To Invest in Newly Found Coal (GAZETA MERCANTIL, 27, 29 Nov-1 Dec 80)	9
	CPRM Confirms New Discoveries, by Sergio Danilo do Rio State Companies Dominate Bidding, by Delmar Marques	
	Briefs	
	Coal Mining in Mozambique	12
	COUNTRY SECTION	
BRAZIL		
	Government Delegation To Meet With IMF Staff; Comment (O GLOBO, 7, 8 Dec 80; COBREIO BRAZILIENSE, 4 Dec 80)	13
	Delegation To Explain Policy Drawing Rights Explained No DMF Borrowing Envisioned	
	Government Risks Defeat in 1982 Elections Warns Archbishop (JORNAL DO BRASIL, 4 Dec 80)	19

	(O GLOBO, 3 Dec 80)	21
	PMIB Senator Orestes Quercia Analyzes Sao Paulo Politics (Orestes Quercia Interview; MANCHETE, 13 Dec 80)	23
	Sarney Says Nation Will Suffer if PDS Loses Majority (Jose Sarney Interview; JORNAL DO BRASIL, 30 Nov 80)	27
	Statements by Clergy, Labor Party Claims Religious Support (O GLOBO, 8 Dec 80; JORNAL DO BRASIL, 4 Dec 80)	35
	Cardinal Salles Speaks Lula Claims Community Support	
CUBA		
	National Vanguard Workers Honored by FAR (Mario Rodrigues; VERIE OLIVO, 23 Nov 80)	40
	Military Recipients of Vanguard Award Interviewed (Juan Valdes Figueroa; VERIE OLIVO, 23 Nov 80)	41
	PCC Work on Combat Readiness in DAAFAR Unit Described (Georgina Jimenez; GRANMA, 28 Nov 80)	46
	Reportage on Cuban Students, Activities in GIR (Marcos Alfonso; JUVENTUD REBRIDE, various dates)	48
BL SA	LVADOR	
	Majano Leaves El Salvador on Undisclosed Mission, Interview (Adolfo Majano Interview; JORNAL DO BRASIL, 29 Nov 80)	62

#### ENERGY ECONOMICS

#### BRAZILIAN-URUGUAYAN ENERGY TECHNOLOGY TO BE EXCHANGED

Brazilian Technology for Uruguay

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Nov 80 p 25

[Text] Porto Alegre--Mines and Energy Minister Cesar Cals announced yesterday in Porto Alegre that Brazil will furnish energy technology to Uruguay in the areas of oil, coal, wood, vegetable oils and wind generators. Cals met in Livramento with Uruguayan Industry and Energy Minister Francisco Tourreilles to discuss this matter. At the end of the meeting a document was signed in which the two ministers agreed to establish joint study groups to select various projects in implementation of the accord. The two groups have 60 days in which to complete their studies.

In addition to the transfer of technology, interest was expressed by the governments of the two countries in integrating their electric power systems. There are currently four lines supplying Brazilian electric power to Uruguay: the circuits are Livramento-Rivera, Quarai-Artigas, Chui-Chui and Jaguarao-Rio Branco. At present, these systems are limited to supplying certain Uruguayan cities. Coverage on a national scale will now be studied, using hightension lines. It is also necessary to determine how to make the cycles compatible—the Brazilian system being 60 cycle and the Uruguayan 50. The study groups are to present suggestions in this regard.

In other energy areas Cals said that a joint plan for seismic research will be drawn up for oil prospecting within the ocean and territorial limits of the two countries. Once the prospecting is completed, each country will exploit its reserves independently. The minister indicated that the situation might be different with coal, saying that exploitation of coal deposits on the Uruguayan side could be carried out through joint ventures.

Other aspects of the agreement are Brazilian technical cooperation in the supply of wood and vegetable oils as alternate sources of energy. Brazil will also share its technology in wind generators.

Uruguay: Areas of Cooperation

Rio de Janeiro GAZETA MERCANTIL in Portuguese 26 Nov 80 p 9

[Article by Delmar Marques de Rivera]

[Text] Brazilian Mines and Energy Minister Cesar Cals' meeting with his Uruguayan colleague, Francisco Tourreilles, in the border city of Rivera in Uruguay, which ended yesterday, could open the way toward negotiations on technology, equipment and even Brazilian coal. The Uruguayan minister expressed interest in Brazil's efforts to restore equilibrium in its trade balance and plans to analyze everything which is being done—from experiments in the use of windpower to a mixture of vegetable oils with diesel fuel, to the possibility of gasification of coal to replace fuel oil burned in its thermoelectric power plants.

The status of Uruguay's energy balance is rather delicate and, a few days after a meeting was held in Bogota, Colombia, devoted to the energy problems of countries which belong to the Latin American Integration Association (ALADI), the minister of this sector acknowledged that his country has very little to offer as a contribution toward reducing its dependence on foreign energy sources. Only now is Uruguay beginning to concern itself with this problem despite its allocating 50 percent of the oil it imports to the fueling of thermoelectric plants.

#### 011 Account

Uruguay's oil account--\$400 million annually--represents about 60 percent of this country's exports. National Energy Director Alfredo Behrens estimates his country's peak consumption of electric power to be 600 MW. Thermoelectricity contributes half of that peak demand. Hydroelectricity supplies the rest; but the most important project in this sector, being carried out in conjunction with Argentina in Salto Grande, will not reach its total potential until 1990 when it will have 12 turbines in operation.

Behrens explained that, in the meantime, his country does not have funds to invest in the undertaking, estimated at \$1.5 billion, and must therefore pay the Argentines in power. For this reason and despite the fact that Salto Grande already has six turbines, only one is supplying Uruguay power (each has a capacity of 135 MW).. Argentina consuming the rest as payment for the investment. Rincon del Borrete and Baygorria, the other Uruguayan hydroelectric power plants, belong to the same water system—the Salto Grande—and dry periods in that area, at least one every 3 years, jeopardize the entire supply.

It is now hoped to combine the energy networks of Uruguay and Rio Grande do Sul via Candiota, in Bage, as a way to guarantee power supply during critical periods. This hookup would offset occasional shortages until the completion of Salto Grande. Minister Tourreilles also expressed his willingness to invest in the prospecting of coal deposits existing in his country. He will also seek foreign investments for this purpose. Andrade Ramos, president of Mineral Resources Prospecting Company (CPRM), believes that the Rio Grande do Sul deposits might extend to Uruguay; at least, a geological survey points to this conclusion. He said that his firm would undertake the necessary research.

## Export

Flavio Brinckamann, president of Rio Grande Minerals Company, hopes that the prospecting will bring results: "In that case we shall be able to contribute with projects having to do with exploration and the supply of equipment, for we already have internationally recognized experience," he said. He does not discount the possibility of exporting gasified coal to Uruguay in the near future. The offer has been made and the Uruguayan authorities have expressed interest in that project as well as in the technology of the Rio Grande Science and Technology Foundation in the gasification of coal in fluid state. According to Director Behrens, it would be impossible to adapt thermoelectric power plants to fuel oil through the direct burning of coal, but it is quite feasible to use coal producer gas in the same boiler after minor changes.

# Regionalization

In Cals' opinion, collaboration begun with Uruguay should be extended to all Latin America. In the Bogota meeting Brazil is to present a joint proposal with Mexico, Venezuela, Ecuador and Colombia aimed at energy integration of the entire continent: "Maintaining the current commitments every time a country's demands increase should imply giving preference to Latin American suppliers. In like manner, when their current contracts expire, Latin Americans should have priority. Producer countries are endorsing that proposal, manifesting "interest in contributing to restoring the energy balance of all ALADI countries," the Brazilian minister said.

Through the hastily arranged meeting held at the frontier precisely for the purpose of avoiding the delays which occur when official visits are sought through diplomatic channels, Minister Tourreilles is trying to take advance measures to guarantee the supply of surpluses from the neighboring country. The initial result of that meeting will be the installation in Uruguay—for experimental purposes—of a 10 kw winddriven generator of Brazilian manufacture. Even the possibility of dealing in oil or its derivatives was discussed. This subject will be studied more carefully. A study group composed of experts from both countries will be established to assure continuity in the negotiations begun at the Rivera meetings.

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ENERGY ECONOMICS BRAZIL

# NEW PETROCHEMICAL COMPLEX INAUGURATED BY FORMER PRESIDENT

Rio de Janeiro MANCHETE in Portuguese 6 Dec 80 pp 130-134

[Article by Ib Teixeira: "Petrochemistry, A Revolution In The National Economy"]

[Text] How can we insure a renewable energy source while increasing the number of automotive vehicles in Brazil at the same time? How can we increase the supply of food while reducing the imports of agricultural products at the same time? How can we extend the borders of our national economy, decreasing the overall dependence of the country on petroleum imports? There is only one answer to all these questions: petrochemistry.

"We are facing a new industrial revolution," said former President Ernesto Geisel at the inauguration of the petrochemical complex of Camacari in Bahia. In fact, only on the basis of the implantation of a strong basic chemical industry can the country break the dependence on foreign supplies in the area of vital raw materials, insure fuel for agriculture, and, finally, free itself from the exclusive use of hydrocarbons by using alternate petrochemical sources such as alcohol, oil shale and coal.

Petrochemistry itself means a higher quality treatment of an energy source on the way to becoming extinct. According to an estimate by the Industrial Association of Japan, whoever saves 100 liters of gasoline per week is allowing the production of 160 meters of plastic pipe for civil construction; 21 polyester shirts; one automobile tire, 3.5 inner tubes, 21 sweaters and 500 nylon socks.

Alcohol and coal are already taking the place of petroleum in Brazilian petrochemical production. In Alagaos, near Maceio, dichloroethane is already being
produced from alcohol. In the south, a PETROBRAS [Brazilian Petroleum Corporation]
company, PETROFERTIL, initiated a genuine coal chemistry revolution by converting
a terrible low-density pollutant from coal into an extremely valuable raw material.
In Sao Paulo, the polystyrene and polyethylene industry, because of the shortage
of ethane from the Cubatao refinery, very successfully resorted to the dehydration
of alcohol. Thus, a common sugar byproduct, always disdained on the international
raw material market, overnight became an essential item for the manufacture of
packaging, electrical appliances, throw-away items and even toys.

According to technicians of the Brazilian Petroleum Institute, ethyl alcohol is already earmarked as a partial substitute for hydrocarbons.

Chemistry is capable of other miracles also, however. National coal was always considered to be of low quality. With the petrochemical revolution, things have turned around. The country, which was extremely dependent on sulfur imports, now has in Santa Catarina a strategic source of sulfur, a basic ingredient of vast applications in several industrial sectors.

Now, in the coal-bearing basin of Santa Catarina, nothing is lost, everything is converted. Coal became thermal electricity. The high polluting wastes are now used in the form of gypsum, avoiding damage to the environment. Finally, another raw material up to then not utilized, pyritic wastes, is increasing the domestic supply of sulfur in the form of sulfuric acid or phosphoric acid, in other words, in the form of fertilizers.

In terms of the continuous cycle of the use of Santa Catarina coal, an important industrical complex was born in Imbituba. A sulfuric acid plant can produce nearly 900 tons daily. Previously, in order for such plants to be practical, the country needed to import 100,000 tons of sulfur costing \$15 million.

# Agricultural-Livestock Production Will Be Superdeveloped

Now petrochemistry allows the use of pyritic wastes, encourages coal production and the industrial complex has a 10,700-kilowatt thermoelectric powerplant. It is from there that the electricity comes for supplying Imbituba. Moreover, the residues of byproducts are also used. Just with the gypsum wastes resulting from phosphoric acid, it was possible to install a cement plant with an annual capacity of 400,000 tons. The processing of that waste will provide a quantity of sulfur sufficient for a second sulfuric acid unit. With the iron oxide wastes, it will be possible to supply paint, varnish and ceramics factories. The chemical gypsum available will also allow the installation of a precast panel plant, panels which will be used for building prefabricated walls with a subsequent reduction in the cost of civil construction.

President Joao Figueiredo said recently: "It is in agricultural-livestock production that the Brazilian people are going to find the way to better days." Actually, the last two agricultural harvests and exportable surpluses obtained indicate an exceptional behavior by that sector when compared to that of other countries which are traditional producers of agricultural products.

#### Soil Nutrients May Expand the Agricultural Frontiers

How can that agricultural miracle be explained? "The secret resides in the petrochemical revolution," says an engineer in agronomy. Actually, thanks to the basic chemical industry, the country can raise its average per capita consumption of fertilizers from 6.95 kilograms per inhabitant (1965) to 17.15 kilograms (1975), and is actually approaching 40 kilograms per inhabitant. Today the Brazilian consumption of soil nutrients is among the highest in the world, as can be seen in the chart below:

# Fertilisera in kg per inhabitant

Israel	145.2
United States	81.3
USSR	44.9
China	39.6
Brazil	36.1
Canada	19.8

Source: Brazilian Petroleum Institute

The expansion of the agricultural frontier is going to make Brazilian petrochemistry even more strategic. Despite our increasing consumption of fertilizers, national demand greatly exceeds domestic supplies. In the case of nitrogenous fertilizers, for example, compared to a domestic production of nearly 300,000 tons in 1979, domestic consumption rose to 750,000 tons. The national production of only 40 percent of its needs forced the country to import nearly 450,000 tons of nitrogen fertilizers.

At this time, due to the National Fertilizer Program [PROFERTIL], PETROBRAS is supplying national industry with the basic raw materials for the production of nitrogen fertilizers, ammonia and urea, through its subsidiary PETROFERTIL [PETROBRAS Fertilizer Company]. In addition to the factories existing in Bahia (Camacari), Sao Paulo (Piacaguera) and Santa Catarina (Imbituba), PETROFERTIL is building the Araucaria factory.

On the outskirts of Curitiba, this factory is going to provide nearly 1,500 tons of urea, 330 tons of ammonia and 58 tons of elementary sulfur to the fertilizer mixers and distributors per day. However, the domestic needs for nutrients are going to require an even more substantial effort from Brazilian petrochemistry.

In fact, the fate of the Brazilian chemical industry has been determined: grow or perish. Some obstacles must be overcome. Among them is the price control policy. Says Michel Harveld, director of the Brazilian Chemical Industries Association: "Three or four months from now what happened with cement could happen with petrochemistry." In other words, a country which has all the resources of capital goods and raw materials for producing all the cement that it needs is spending foreign credit to import it. Only a policy of real prices for petrochemistry can insure the profitability required for a complete program of expansion.

The basic chemical industry of Brazil was born at the beginning of the decade of the 30's when a partnership of Brazilian, Argentine and Uruguayan capital began the Rio Grande Company located at Uruguaiana. Operating with petroleum imported from Ecuador via Buenos Aires and Paso de Los Libres, the Rio Grande Company was throttled in 1936 when the Argentine Government decided to prevent passage of Ecuadorean petroleum through its territory. The company then reappeared at the port of Rio Grande—importing the fuel directly—with a daily capacity of 1,500 barrels. This refinery at Ipiranga had the first production of solvents for the nascent Brazilian tire industry.

In 1954, Brazil entered definitively into the era of petrochemistry with the construction of an ammonia and fertilizer plant by PETROBRAS. Shortly thereafter there appeared the Union Carhide polyethylene plant, the CBE styrene plant, the isopropanol and acetone plant of Rhodia, and so forth. At the beginning of the 60's, PETROBRAS inaugurated its synthetic rubber plant, using imported butadiene as a raw material. A unit for producing the butadiene was inaugurated in 1967. That which began timidly with the production of the first thermoplastic resins, became a great industrial complex capable of producing a range of basic products such as ethylene, propylene, butylene, xylene, and so forth, and primary products such as ethylene oxides, benzene, acetylene and ethane, plus intermediary products such as styrene, ammonia, nitric acid and many other articles.

Said in another way, Brazil as of 1957 began to depend on its petrochemical industry for supplies of PVC pipe, connections, records, threads, cables, shoes, artificial fibers, films, goods for the automobile industry, electrical appliances, and so forth, plus thousands of other finished products. Sailboats, automobiles, furniture, and products for civil construction complete that list of industrial possibilities, which fantastically increases the use of the main thermoplastic resins. In 1976 the country consumed 566,000 tons of those resins; four years later, consumption is almost a mileson tons.

Petrochemistry Paces the Development of a Country

Within two years the country will be requiring 1,548,000 tons.

One of the basic chemistry articles by itself, synthetic rubber, is playing a predominant role in the economic life of the country: Nearly 85.8 percent of the total amount of rubber used by heavy industry is domestically produced. Why synthetic rubber and not natural rubber from the Hevea Brasiliensis? "Unfortunately, the supply of natural rubber is hard to come by because domestic rubber growing depends on native rubber tree plantations lacking modern technology and frequently subject to disease and failures in production," replies a manufacturer. At this time the economic development of a country can be measured by the progress of its petrochemistry. Since the appearance of that industry in the United States in 1920, when isopropenyl and glycol were manufactured by the Standard Oil Company and Union Carbide, that North American country has maintained world leadership. However, beginning with 1970, the rapid growth of Japanese petrochemistry placed Japan immediately below the United States.

In Brazil, the beginning of operations of the Northeast Petrochemical Zone, with the majority of the enterprises in Camacari, Bahia, represented the complete replacement of petrochemical product imports in 1979.

The "Sao Paulo Zone" is the leader of the Western World

In terms of the balance of payments, this fact means a saving of \$800 million to the country. The Northeast Petrochemical Zone also allows a more harmonious development because it overcomes the traditional regional imbalances.

The Sao Paulo Petrochemical Zone, born at the beginning of the 60's, today includes nearly 40 companies, in 21 of which majority stock control is exercised by domestic stockholders and 19 are foreign-controlled. "It is a matter of the specific employment of the tripartite method, which includes PETROBRAS, domestic private capital and foreign industry," said an official of the state industry. According to him, the tripartite method allows the Sao Paulo Zone to become one of the most promising petrochemical centers of the western world.

The Third Petrochemical Zone is being born in Rio Grande do Sul. According to a decision by the Economic Development Council (CDE), the Zone should develop primarily around basic petrochemical projects and encourage participation by private enterprise in the other projects not within the area of PETROBRAS. The harmonious operation of those industrial complexes on the basis of raw materials such as alcohol, petroleum, oil shale and coal insures Brazilian participation in the second industrial revolution: the petrochemical revolution.

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ENTERGY ECONOMICS BRAZIL

PRIVATE INDUSTRY RELUCTANT TO INVEST IN NEWLY FOUND COAL

CPRM Confirms New Discoveries

Rio de Janeiro GAZETA MERCANTIL in Portuguese 27 Nov 80 p 9

[Article by Sergio Danile do Rio: "CPRH Confirms Discovery of Deposit"]

[Text] The Prospecting and Mineral Resources Company [CPRN] confirmed the discovery last week in Sapopena, in the interior of Parana, of a new and promising coal deposit. First estimates at one of the prospecting sites indicate the existence of a potential of 20 million tons, although it could be larger, since only 11 test bores have been made, it was reported by the state company sources.

CPRM Director Eliseu Visconti told this newspaper yesterday that the contract transferring the Irui I and Irui II coal mines, which were put up for auction by the company and purchased by the Parana State Electric Company (COPEL), will be signed 12 December.

The reserves of Irui I and Irui II in Rio Grande do Sul are estimated at 190 million tons and their sale value is estimated at 36 million cruzeiros. The CPRN should receive part of the payment in money and another part in shares since a mining company to exploit those coal reserves is going to be created, said Visconti.

Leao Norte

The Leao Norte I coal reserves (208 million tons), also in Rio Grande do Sul, should be transferred to the Rio Grande use de Mineracao Company (CRM) during the latter half of December also. This mine, according to Visconti, will be worked by the Rio Grande do Sul company, which should initiate the working plan in 1981. The total price of that mine was established by the auctioning commission of the CPRM at 40 million cruzeiros and the payment schedule will be eight 6-month installments.

Transfer of Seven Deposits

With the transfer of those mines in December, the auctioning of seven coal mines to private enterprise and state energy and mining companies will have been accomplished. The last mine to be offered to national industrialists in January will be the Morro dos Conventos in Santa Catarina.

Altogether, seven mineral deposits have been transferred or are in the process of negotiations: Arroio da Silva (SC); Irui I, Irui II, Leao Norte, Seival I, Hulha Negra (RS), and Morro dos Conventos (SC). They total an overall reserve of 843.3 million tons.

# State Companies Dominate Bidding

Rio de Janeiro GAZETA MERCANTIL in Portuguese 29 Nov-1 Dec 80 p 9

[Article by Delmar Marques: "State Companies Dominate Bidding For Mines in Rio Grande do Sul"]

[Text] There remains only one coalmine, that of Ararangua—besides the two that are under litigation, claimed by the Metropolitan Coal Company of Crisciums—which the CPRM needs to dispose of before being completely divested of all discovered deposits and it can begin new test drillings. With two mines purchased by the National Union of Cement Industries, two by COPEL, one by the CRM, one by Prospera Mineracao and another by the Bussato Construction Company, all coal deposits found in recent years was placed at the disposal of mining intersts.

The coal mining companies, however, are far from keeping up with the progress of prospecting. Since they have to make large investments in the consolidation of the area prospected and on mining projects, without a guarantee of consumption all plans will remain simply intentions. The president of the CRM, Plavio Brinckmann, certainly controls an enormous potential. The new mine he has just received, the Leao Norte I, has more than 217 million tons, enough to guarantee its actual rate of production for more than 100 years.

In measured reserves alone, without counting those simply estimated, the CRM already has 407 million tons in Candiota, 580 million tons in Leao, 176 million tons in Irui and 72 million tons in Santa Rita. These are measured reserves and are ready for extraction plans for going into production. Thus, all by itself the CRM is in a position to sustain all the production desired for the country in 1985--27 million tons per year--for more than 50 years.

Brinckmann explains that it will take at least three more years to measure the deposit received in Leao Norte I and to prepare a plan for the annual extraction of 2.4 million tons, an investment of around \$90 million at today's prices, similar to the one being made at Leao I. The other companies, which received reserves from the CPRM, will not require any less time, he believes. He says that the mines of Irui Norte I and Irui Norte II received by COPEL represent considerable geological problems to mining, such as layers of coal surrounded by very weak strata, which will require even more time for research and engineering plans, so much so that the CRM did not even bid in those areas.

Such a slow rate, caused by technical circumstances and in a like ratio by a lack of decision in the official and private enterprise area, worries Rio Grande do Sul business leaders. Of the seven mines distributed by the CPRM, four went into the hands of state companies (CRN, Prospera, which is a subsidiary of the National Iron and Steel Company, and two went to COPEL), precisely because of the fear by businessmen in making new investments without a clear definition of the

sources of financing and potential consumers. The entire coal program is moving very slowly in the understanding of the president of the Brazilian Iron and Steel Institute (IBS), Jorge Gerdau Johannpeter. He says that he will take the problem to President Joan Figuriredo at the meeting the iron and steel companies will hold with the chief executive on 5 December. "The resolution of the energy problem is vital for the country," he said.

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ENERGY ECONOMICS BRAZIL

#### BRIEFS

COAL MINING IN MOZAMBIQUE—Brazil may participate in the exploitation of coal in Mozambique and import part of the volume mined. In the next 60 days a Brazilian delegation from the Ministry of Industry and Commerce will go to that country to begin negotiations for that purpose. The subject was presented yesterday in a meeting between the governor of the Bank of Mozambique, Sergio Viera, and Minister of Industry and Commerce Camilo Penna. Sergie Viera explained the programs to be carried out by the government of his country, in which Brazil could participate, to the minister. The main one of them is the program for enlarging the Cabora Bassa Hydroelectric Powerplant, unich will go on to generate four million kilowatts. Moreover, the Mozambican Government intends to install an industrial complex to make use of the power produced by the hydroelectric plant, a program in which Brazil could participate, particularly in the installation of an aluminum plant and other projects in the metallurgical field. Negotiations also include cooperation in agroindustry and transportation programs. [Text] [Rio de Janeiro O GLOBO in Portuguese 3 Dec 80 p 21] 8908

CSO: 3001

COUNTRY SECTION BRAZIL

GOVERNMENT DELECATION TO HEET WITH INF STAFF; CONNENT

Delegation to Explain Policy

Rio de Janeiro O GLOBO in Portuguese 7 Dec 80 p 44

[Text] Brasilia (O GLOBO) -- Five ranking government technicians will go to the United States this week to explain the new economic policy to be practiced by the Brazilian Government beginning January to the staff of the directorate of the IMF.

The trip by the technicians is being kept under wraps in an attempt to avoid controversy, since any news of the presence of Brazilian Government representatives in Washington to justify and announce economic changes for 1981 (new policies on wage, money and credit, exemptions for part of bank interests, exemptions in the exchange rate reduction of part of subsidies and changes in rural credit) would have great repercussions.

The trip by those technicians is closely linked to the needs for foreign resources for cast for 1981, which are estimated at \$21 billion. According to Central Bank figures, 11.5 percent of the Brazilian Foreign debt is due next year. Still according to the Central Bank Balance of Payments Division, the country will spend nearly \$17.5 billion in 1981 to service the debt (\$8 billion for amortizations and \$9.5 billion for interest).

According to government technicians, forecasts are that there will be a trade balance, with expenditures for petroleum totalling \$9 billion, if Brazil manages to maintain a daily consumption of 750,000 barrels per day at an average price of \$33 per barrel within the framework of future PETROBRAS [Brazilian Petroleum Corporation] purchases.

The Brazilian delegation of technicians consists of Akihiro Ikeda, chief of the Hinistry of Planning Economic Assembly; Mailson Ferreira da Nobrega, chief of the Pinance Ministry Economic Advisory Office; Antonio Caetano Filho, special consultant of the Central Bank; Jose Augusto Arantes Savasini, superintendent of the Planning Institute, IPLAN; and Luis Paulo Rosembergo, minister of planning.

That team will also make an explanation to the staff of the IMF directorate of the measures taken, and to be taken, against inflation, for balancing the balance of payments, the maintenance and creation of mechanisms which insure or increase the level of exports, and of the results which Brazilian authorities expect from those measures.

That contact reveals a willingness by Brazil to formally schedule a meeting for an IMF loan, according to statements by the technicians of the government. The decision to send those technicians was made when Alexandre Kafka, the IMF executive director for Brazil, was in Brazil two weeks ago for meetings with Hinisters of Planning Delfim Netto; of Finance Ernane Galveas, of Industry and Commerce Camilo Pena and Central Bank President Carlos Langoni. Kafko came to learn the details of the economic policy set for next year and also to bring a list of requests for information of interest to the IMF.

Brazilian Government strategy is to disclose its intentions and its expectations with respect to results. If they are accepted by the IMF, the country will be eligible to make a request for a loan. In the understanding of some authorities, the country would emerge politically strengthened domestically and abroad in the degree that its economic policy were to be approved by the IMF, without the need of having to subject itself to its impositions.

In the days preceding the departure by those five technicians for Washington, careful surveys have been made on the status of the balance of payments this year and the prospects for 1981. This work was based on figures from the Central Bank, PETROBRAS and other agencies whose activities are linked to the foreign area. Government technicians believe that the proposal to limit imports to 750,000 barrels of petroleum per day, which would mean a decline in physical consumption of around 25 percent, must be faced as a most important factor, including for the credibility of the country before the international financial community.

According to PETROBRAS estimates, the average price per barrel of petroleum should be around \$33, keeping in mind exports of Brazilian gaseline and light petroleum (without that the real price of petroleum would rise to \$40 per barrel).

Petroleum is the great unknown in official calculations and estimates for next year. It is a variable which depends on the behavior of the foreign market and PETROBRAS admits that supplies for next year are uncertain and their prices are alien to any logical practice. This is so true that in the explanation the Brazilian technicians will make to the staff of the IMF directorate, the item of energy will be the most critical due to the uncertainties observed in the area.

The heavy burdens being placed on the balance of payments because of the successive increases in the price of petroleum have made it difficult to control the deficit in the balance of payments. Hopes now reside on the agricultural sector, since foreign sales of manufactured goods, according to forecasts by businessmen and experts linked to international trade, reveal that next year will be one of difficulties, particularly for developing countries such as Brazil.

# Drawing Rights Explained

Río de Janeiro O GLOBO in Portuguese 8 Dec 80 p 15

[Text] Brasilia (0 GLOBO)—If it were interested, as of 1 January Brazil could take loans from the IMF up to \$7.5 billion. All it would have to do would be to receive support from the directors of the fund for the economic policy being practiced in the country. That position is being expressed with some frequency by technicians of the Ministry of Finance and the Central Bank.

"Those \$7.5 billion, which the IMF could lend to Brazil, are the result of the increased capacity for loans of the fund itself where Brazil has special drawing rights [SDR] of \$1.28 billion as of 1 January. The fund established that as of now Brazil can draw 600 percent of the SDR in 3 years and in special cases more than 600 percent in a single year.

The choice of going to the IMF as well as to learn the amount of the loan Brazil needs to resolve its balance of payment problems is a question which is beginning to be discussed by government technicians.

Contrary to the opinion of international bankers, Central Bank President Carlos Langoni believes that the capacity for making loans by those banks—the best alternative for the country—is far from being exhausted. Primarily because it is a domestic decision, Langoni believes "We are not going to make an economic policy on the basis of the opinion of international bankers."

According to Langoni, "The fundamental question for Brazil as to whether or not it can be financed in the market 'is to know' whether it is going to ask the market for more than the market can offer under reasonable conditions." If the authorities are programming an increase in the net loan of not more than 10 percent, reasons Carlos Langoni, "that figure is well below the average growth rate of the capital of international private banks, which is around 15 percent."

In keeping with this reasoning, if they did not lend to Brazil and other developinc countries, the bankers are going to have difficulties in placing available surplus funds.

Langoni believes that next year Brazil should intensively exploit new foreign sources of money supplies in the same way it did with exports this year, diversifying markets and products (ways of obtaining financing from different sources, primarily financing \* azilian imports and exports from abroad).

The Arabs also as potential lenders, since with the new institutions they themselves created as possess a tremendous leverage in resources." Therefore, "The world becomes and greater than the IMF," according to Langoni.

However, the prospect of going to the IMF is being planned with another hypothesis in mind also. The economic potential it represents in the medium and long term places Brazil in a very different position than the other countries which made loans to Brazil in past years.

Even countries in a more comfortable position than Brazil in terms of indebtedness do not have the potential of future development that the great international investors need for continuing to lend.

This means that with an economy directed toward exports, an energy program which is considered advanced, mineral reserves and raw material sources of the scope Brazil has—which is not unknown to traditional investors of the DF—Brazil already has the necessary collatoral required by international bankers, reasons the technician.

The main disadvantage of the Brazilian decision to go to the IMF, according to the Central Bank technicians, is the result of the war between Iraq and Iran, with its negative effects of an increase in petroleum prices.

Even considering the capabilities of importing countries in adopting rationalization and rationing measures in the consumption of petroleum-based fuels, a new increase in prices is going to cause an accelerated search for foreign resources of such magnitude that the market will cease to show the slackness that the Central Bank president sees at this time.

In addition to being hard to find, the \$21 billion Brazil is going to need in 1981 to balance its balance of payments are going to be very expensive, advisers to Langoni predict.

# No IMF Borrowing Envisioned

Brasilia CORREIO BRAZILIENSE in Portuguese 4 Dec 80 p 2

[Text] Central Bank President Carlos Geraldo Langoni yesterday discounted any possibilities that Brazil will resort to the IMF next year, making it clear that foreign banks have every right to express their opinions in favor of the use of that international agency "in the same way that the Brazilian Government has the right not to pay any attention to those opinions."

Denying rumors on the preparation of an imminent trip to the IMF, Carlos Langoni revealed that Brazil is going to attract foreign resources in 1981 in the same way it has been doing with exports: diversification of the form of foreign financing and the finding of new lenders, primarily among the Arab countries. "Many people seek to paint a picture as if only the IMF existed in the world, fortunately, however, the world is much greater than the IMF," he declared.

#### Pressures

On the use of the press by international bankers who have been persistently expressing themselves on the need of some sort of "endorsement" of Brazil by the IMF, the Central Bank president reminded us that we live in a free society in which everyone has the right to say what he believes "and it is even very good that they express their opinions publicly and not in secret only to the government."

He declared: "However, no one is going to make an economic policy on the basis of the opinion of international bankers," explaining that despite all the discussion on the subject, Brazil is going to wind up the year with a goal for obtaining foreign resources completely attained "and even more than attained because we are possibly going to reach \$13 billion, while the forecast was for \$12 billion."

As for the inability of the country to continuing to obtain the same amount of resources next year, the Central Bank president called attention to the fact that our needs for resources grow at the same rate as the availability of funds grows for foreign banks. "If we are planning an increase of the net foreign debt not

to exceed 10 percent for 1981, and if the average rate of the increase in capital of international banks is around 15 percent, there is no reason for any fear," he asserted.

Frequent rumors of having to turn to the IMF, in his opinion, derive from the open relationships the press maintains with foreign banks. "What is happening is that when the international financial community analyses our economy, the question always arises as to whether Brazil is willing to resort to the IMF. For ourselves, we have also said several times that it is an exclusively domestic decision at the government level and no new answers are appropriate," he declared.

#### New Channels

The new strategy already being employed by the Brazilian Government for next year is to "intensively" exploit new sources of supply of foreign resources, paying particular attention to financial relationships with the Arab countries, keeping in mind that there is a great availability of petrodollars at this time and that the IMF itself will not be able to act decisively in recycling that money.

"In obtaining funds, we are going to do what we did with exports, where we diversified products and markets. We are going to offer new "products," new ways of financing which are more attractive to the market, primarily using the enormous potential we have for obtaining financing for our imports abroad," revealed the president of the Central Bank, adding that the national financial system should be involved in that struggle at the same time that new international methods are sought for the financing of our exports.

The high point of this strategy for obtaining funds next year, guaranteeing the \$13 billion which the government expects will be needed to finance the deficit in the balance of payments, will be the use of bargaining power with Arab countries. In Langoni's opinion, "The thing that makes that strategy practical is that the Arab countries now have new financial institutions where the problem of Brazil as a risk does not even sppear and it is a country which does not yet figure in the portfolios of those banks."

The first loans from those Arab banks are already being negotiated, according to the Central Bank president, and Brazil has the additional advantage that petrodollars are allowing the creation of financial institutions with great potential in funds ready to be used.

In addition to the search for new sources of funds, the monetary budget for next year should also guarantee an increase in the share of the private sector in obtaining foreign funds, in Carlos Langoni's opinion. "We are not going to adopt any measure which may be an obstacle to the obtaining of foreign funds by the private sector; on the contrary, the intention is to broaden that channel more and more," he asserted, adding that in the meeting of the National Monetary Council next 17 December, it is going to approve measures which will facilitate access by companies to foreign financing.

#### Bankers

Also yesterday, Teophilo de Azeredo Santos, president of the National Bank Federation, declared that the decision to resort to the IMF "is more a political than a technical problem." He explained also that he has not formed an opinion on the timeliness of resorting to the funds of that international financial agency, but that a dialog of the type underway now, where it is possible to research the pros and cons of a decision of this magnitude, is always valid.

"Although there is nothing specific on the access by Brazil to FMI funds, it is worth recalling that the present economic policy adopted by the Brazilian Government is very close to that recommended by that international agency in that which has to do with the liberalization of interest rates and a reduction in the state's intervention in price controls," he said.

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CSO: 3001

COUNTRY SECTION BRAZIL

## GOVERNMENT RISKS DEFEAT IN 1982 ELECTIONS WARMS ARCHBISHOP

Rio de Janeiro JORNAL DO BRASIL in Portuguese 4 Dec 80 p 7

[Text] Fortaleza—Cardinal Archbishop of Fortaleza Dom Aloisio Lorscheider yesterday warned the government of the need to make a reexamination of its conduct, positions and policies, without which it is possible that it will continue to lose elections in municipalities where the Rank and File Ecclesiastic Communities are active. The warning was made during a TV VERDES MARES interview.

Almost simultaneously, the Archdiocese press office was distributing a 45-line article signed by Dom Aloisio in which he said textually: "Dialog is always possible (with the government) but a "yes" by the Church to the sociopolitical economic system prevailing among us shall never be possible because the Church cannot in all conscience consider evangelical that which is structurally contrary to God's plans."

#### Awakening

In the television interview, Dom Aloisio repeated what he has been saying for some time, that the rank and file ecclesiastic communities are important movements which should be completely supported by the Church because they encourage the people to discuss their problems, seeking proper solutions for the community, which becomes aware of its problems.

"In the municipalities in which the Rank and File Ecclesiastic Communities are active, the government party always loses," commented the reporter.

The Church has not concerned itself with whether the government party or the opposition party wins in the elections. The Church concerns itself with the poor. It gives them preferential attention. If the government loses the election in the municipalities where the Rank and File Ecclesiastic Communities are active, the government should then review its position, its conduct and its policies, replied the cardinal of Fortaleza.

Church Versus The State

The article signed by Dom Aloisio follows:

We shall recall what Vatican II tells us in "Gaudium et Spes" so that we may then analyze what is happening among us in our country.

1. The Church cannot be confused with the political community nor is it linked to any political system. It is the sign of protection of the transcendental nature of the human being.

The political community and the Church are independent and autonomous with respect to each other. Both however, although for different purposes, are at the service of the personal and social inclinations of the same men. The Church and the state will perform these services more effectively for the good of all when they better cultivate a healthy cooperation between them, considering the circumstances of the times and places.

2. We are having differences and tensions in Brazil. Where are those differences and tensions between the government and the Church? The reply resides in the socioeconomic-political view of the Church, on one hand, and that of the government on the other.

The view of the Church, among its leaders, since Medellin (1968) and reaffirmed in Puebla (1979), is that the socioeconomic-political system adopted among us is sinful and unevangelic, requiring a profound transformation which means a structural change of the system; it means the institution of a new international order in which the equitable distribution of goods, respect for the basic rights of the human being and the free and effective political participation by all citizens are a reality.

The view of our government leaders, of its authorities, is that it is a socioeconomic-political underdeveloped society en route to development. It is the
developmental or functional view of society. On the day that we all perform
our own function in society well, we shall have a developed country. It is a
view which may be found very generalized in developed countries. It is heard
there that we have to be patient because a century ago they were where we are
now. It is not possible, according to them, to skip phases. It is necessary
to go through the various phases they did.

In keeping with this type of view, our underdevelopment would be a temporary thing. In the view of the Church, our underdevelopment is not an accidental phase but a phenomenon, which because of its nature is permanent because it is the result of certain economic, social and political situations and structures (Puebla 30). According to one or the other view, the preferred choice of the poor will receive one or the other functional, reformist or developmentist interpretation. In the view of the Church, it will be an interpretation of personal and structural conversion.

3. Is a dialog between the Church and State possible?

A dialog is always possible but a "yes" by the Church to the sociopoliticaleconomic system prevailing among us will never be possible because the Church cannot in all conscience consider evangelical that which is structurally contrary to God's plans." COUNTRY SECTION BRAZIL

#### DATE FOR COMMUNIST PARTY CONGRESS NOT YET ESTABLISHED

Rio de Janeiro O GLOBO in Portuguese 3 Dec 80 p 3

[Text] Sao Paulo (0 GLOBO) -- Secretary General of the Brazilian Communist Party Giocondo Dias declared yesterday that the Seventh Brazilian Communist Party [PCB] Congress has not yet been scheduled and that its realization "will depend on the political situation of the country." He added that he does not wish to "meddle" in the documents being prepared on the economic, political and international situation since 1967 when the last PCB congress was held.

Giocondo Dias said only that the removal of Luis Carlos Prestes as secretary general, the actions of the church and national businessmen will be particularly discussed.

"The preparation of those subjects," he said, "does not violate legal norms, although the party is still illegal. What we are trying to do is to explain what the political prospects are and what the tactical and strategic problems are that we are facing."

The communist leader added that not much time will be devoted to the status of Luis Carlos Prestes because the objective is that he discuss all the subjects with everyone and subordinate himself to the decision of the majority.

#### Church

Referring to the church, Giocondo Dias said that it will also be studied because it is one of the most important institutions in the development of society and not merely a Brazilian, but universal question after the holding of Vatican II.

He added that the fact that religious institutions defend the oppressed does not signify an alliance between the church and the Brazilian Communist Party.

"We are going to examine the role of the main institutions of society despite the fact that they want to make us incompatible with the church by saying that it is our ally. Our interests are the same as long as they defend the interests of the people, the rights of the human being, the expulsion of landowners and the rights of the Indians. However, it is not necessary to be a communist for that.

# Constituent Assembly

The PCB secretary general believes that the government will try to accomplish a casuistic electoral reform because Senator Jarbas Passarinho "was clear and explicit about the game being played with marked cards."

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CSO: 3001

COUNTRY SECTION BRAZIL

# PHDB SENATOR ORESTES QUERCIA ANALYZES SAO PAULO POLITICS

Rio de Jameiro MANCHETE in Portuguese 13 Dec 80 pp 126, 127

[Interview with PMDB [Brazilian Democratic Mobilization Party] Senator Orestes Quercia, Sao Paulo, by Haroldo Hollanda: "Orestes Quercia: 'The PMDB Hust Propose Solutions and Not Just Find Fault'"; date and place of interview not given]

[Text] Elected senator in 1974 with about 5 million votes, Mr Orestes Quercia was one of the big surprises in the torrent of votes the opposition received at that time. From being mayor of Campinas he went to the federal Senate almost as an unknown on the national scene. But his impressive landslide was not enough to make him as active and involved a senator as he had hoped. Today he admits he lacked experience.

Currently, Orestes Quercia is challenging Franco Montoro--the favorite--for the PMDB nomination to run for governor of Sao Paulo. He is going to the convention with confidence. If chosen, he will enter the campaign confidently. He respects but is not afraid of running against Janio Quadros, despite the latter's charisma. Nor does he underestimate Governor Paulo Haluf. He will make an all-out effort in the campaign and contends that this time--unlike 1974, when all the opposition had to do was to point out the government's errors--the PMDB must offer the people specific solutions for their problems.

[Question] Are you a candidate for governor of Sao Paulo in the direct elections of 1982?

[Answer] Yes. At this point, of course, I am a candidate for the nomination. As a member of the PMDB, I will accept the decision of my party. I will be a candidate at the convention and I expect majority support at the convention to be nominated as its candidate in the 1982 gubernatorial elections.

[Question] The prevailing opinion is that the natural PMDB candidate for governor of Sao Paulo would be Senator Franco Montoro. Is it possible to defeat him at the convention?

[Answer] It is not a matter of defeating Senator Montoro. I contend the will of the PMDB majority must be respected. There will be no defeat of one or the other.

We must have the best understanding so that the victor is supported by the other competitor. It is, in fact, common to read in the press that my colleague in the Senate, Franco Montoro, will be the PMDB candidate for governor of Sao Paulo. As I see it, it is merely an opinion with which I do not agree, although I have the greatest respect for Senator Montoro. This matter of public-opinion research, of popularity, has only relative value, especially in regard to election results. Just recall, for instance, that in June 1974 a Gallup poll in Sao Paulo showed that I had 5 percent of the voter preference. The ARENA [National Renewal Alliance] candidate, Professor Carvalho Pinto, had 75 percent. The result was the reverse of those figures. I received nearly 80 percent of the votes. Only after the campaign begins is it possible to measure the chances of each candidate.

[Question] In 1974, Senator Orestes Quercia, you had about 5 million votes. Do you think that as candidate for governor in 1982 you will be able to repeat the election victory of 1974? Or is the situation today different?

[Answer] The electoral situation today is quite different from that of 1974. To begin with, just recall that at that time we had only two parties, the ARENA and the MDB [Brazilian Democratic Hovement]. In 1974, the election was like a plebiscite. One voted for or against the government.

[Question] Why wasn't the opposition able to take proper advantage of the 1974 election episode?

[Answer] It was, above all, an extraordinary victory. The people voted overwhelmingly against the government. Responsible sectors of the opposition party
which won the election acknowledged that it was a victory for President Geisel because he made a free election possible, and so forth. This is just one example of
how we managed to downgrade the victory of 1974. What is happening today is different. The government acted shrewdly. We are aware of General Golbery's speech at
the ESG [War College], confirming all the charges we had made previously that with
party reform the government intended only to break up the opposition. We now have
more opposition—or so-called opposition—parties. Hence, we are likely to have
more than two candidates seeking the voters' preference. I don't think the PMDB
can continue to expect the government will lose the election. The PMDB must win it.
Everything will depend upon the positions we take during the campaign. Whether or
not the 1974 phenomenon is repeated will depend upon the political skill we use in
convincing the voters. It is necessary to bear in mind that public opinion is
molded by circumstances.

It Is Hard to Analyze an Election in Advance

[Question] Can present circumstances favor the candidacy of former President Janio Quadros for governor of Sao Paulo?

[Answer] They can. That is why I say it is very difficult to analyze future elections so far in advance. I also contend that it is not yet time to establish candidacies for state governors. I, for example, was forced to declare myself a candidate because my colleague Franco Montoro had already declared himself. Otherwise he would have been the party's only candidate. But it is still very early. I do not consider this early, extemporaneous declaration of candidacy good for the PMDS.

We should first study the nature of the message we intend to take to the voters. We must offer the voters a feasible and valid solution, show the people that in the government we are in a position to solve their problems. The Brazilian situation is serious. We can no longer simply diagnose the problems, as we did in 1974, for example, We must offer specific solutions.

[Question] What is the Janio Quadros phenomenon in Sao Paulo?

[Answer] It is too early to tell. So far he has done well. His words have great impact on the press and television. This helps a lot, but does not mean he has already won. At the proper moment the electorate will decide, analyzing the candidates. And, clearly, I have great expectations for such an hour. Due to my lack of experience I was not a brilliant senator at the beginning of my term, which could be considered an extraordinary statement to make publicly. But I was a good administrator as mayor of Campinas.

[Question] Is there, in Sao Paulo, a possibility of an agreement with Janio Quadros for the 1982 elections?

[Answer] I have no reservation of a personal nature regarding Mr Janio Quadros. I am saying this because much is said about agreements among the opposition. I am not sure, in view of the statements made against the PTB (Brazilian Labor Party), whether the PTB will be considered a true opposition party. I am in favor of agreements with the other opposition parties, although I think they are hard to make. The other day, for instance, I was talking with Benedito Marcilio of the PT [Workers Party]. He told me that his party must make Lula its candidate for governor. It is a way of consolidating the PT. I think they are right. Any of the parties will become established only if they have candidates for governor. If it is intended to form an opposition front, that is another story. But the party that does not have a candidate for governor will greatly weaken its slate of candidates for deputy.

[Question] How do you view the upsurge of the PT in Sao Paulo? Do you think the PT (and especially Lula) is a passing political phenomenon or is it destined to remain on our political landscape?

[Answer] To tell the truth, Lula came to prominence more as a labor leader. But he has not been tested as a politician. As a result of the government's violence, he is no longer a labor leader. He now has a perfect right to be a party politician. Everything he is doing now as a political leader is based upon his experience as a labor leader. I don't know what will happen to him.

[Question] What role may be played in Sao Paulo by the PP [Popular Party], depending upon the leadership of former Mayor Olavo Setubal?

[Answer] Mr Olavo Setubal is a well-respected man; he was a good mayor of Sao Paulo. If we bear in mind that the PDS [Social Democratic Party] is dominated by Governor Paulo Haluf, clearly a man such as Setubal would go to another party. But since Setubal has not been an opponent of the regime, he remains in the in-between position of the PP. I believe he will have great influence in Sao Paulo.

[Question] The Popular Party?

[Answer] Setubal in particular.

[Question] What role will Governor Paulo Maluf play in the Sao Paulo gubernatorial election of 1982?

[Answer] One cannot underestimate Paulo Maluf because, as governor, with the administrative machine under his control, he is doing everything to reach his objectives. We could say that this has always been done. I suppose that is so, but the way he is going about it is an innovation within the revolutionary movement of 1964. He uses the administrative machine with incredible ruthlessness, without any ethics, seeking only partisan political objectives. In small towns, especially, the people are very susceptible to government pressure. And, according to reports I have received, Maluf has been concentrating his work mainly in these small towns.

[Question] Will Dom Paulo Evaristo Arns, and the Sao Paulo church in general, play an influential role in the 1982 elections?

[Answer] Yes, he will play a role. But I contend that his influence will never be channeled to benefit a political party. There are many people who think the PT will be the beneficiary of such political influence. I don't think so. From what is known of what Dom Paulo says and writes, the influence exerted by the church is unlikely to be directed in favor of a political party.

Quercia, As Do Most, Says He Is Center-Left

[Question] If there were a more flexible party reform than what has been promoted, what type of party would you be associated with?

[Answer] This answer is difficult because it is very common-everyone says the same thing. Clearly, it would be a party of the center-left. In general, persons define themselves as center-left because the center is anticommunist, a conservative posture acceptable to the Brazilian middle class. At the same time the left is more appealing to the wage-earner, the employee, the poorer classes.

[Question] Do you think the majority of the Brazilian electorate is of the center-left?

[Answer] I think so. Of course, in large metropolitan centers there is more of a tendency to the left. In smaller towns, the tendency is reversed in favor of the center, of conservatism. What the people really want is to solve their problems. The new economic measures, which included decontrol of interest rates and monetary correction, indicate that the government is not master of the situation. That is why I again return to the idea that the PMDB must do more than diagnose the crisis, but must offer positive solutions.

[Question] If the opposition elects several governors in 1982, do you believe direct presidential elections will be reestablished in 1984?

[Answer] It is possible, and this would be very good.

[Question] In your opinion, who could be the opposition candidate for president of the republic?

[Answer] There are many names. We of the opposition usually mention Ulysses Guimaraes, national president of the PMDB, a man of proven competence. But there are others.

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CSO: 3001

COUNTRY SECTION BRAZIL

## SARNEY SAYS NATION WILL SUFFER IF PDS LOSES HAJORITY

Rio de Janeiro JORNAL DO BRASIL in Portuguese 30 Nov 80 p 3

[Interview in Brasilia with Senator Jose Sarney, national president of the PDS [Social Democratic Party]: "Sarney Warns Nation Will Suffer If PDS Loses Majority"; name of interviewer and date not given]

[Text] Brasilia--Senator Jose Sarney said that if the PDS were to lose its congressional majority "it would be bad for the PDS, but worse for the nation...because Brazil does not yet have the political institutions to survive a system in which the government has a congressional minority." The national president of the PDS empahsized that "we are still emerging from an area of turbulence."

Coming from the erstwhile UDN [National Democratic Union], former governor of Maranhao, elected senator in 1974, Jose Sarney was the last president of the defunct AREMA (National Renewal Alliance). He believes the PDS is being converted into the instrument for supporting the government politically and stresses that existence of strong political parties "guarantees the nation will have strong and democratic institutions."

In denying that he has interrupted the dialog with the leaders of opposition parties, Senator Jose Sarney revealed that he took the initiative of approaching them because "we had a really difficult phase, in which some sectors within Congress gave the impression of charging the military area for its participation in the 1964 Revolution." He added that channels of communication with the opposition continue to be "open to consultation."

#### The Interview

[Question] You always said the PDS will be a party in the government. Now that it is ready to formalize this final act of organization, do you think it will reach the goal of integrating the PDS in the government?

[Answer] We cannot compare the ARENA with the PDS. The ARENA was created by decree, considered by law to be an organization that must perform the functions of a

political party. The two-party system that was imposed restricted political activity, hibernating it and reducing its operating potential.

In the case of the PDS, we are creating a party. Not with an aspiration to be a party of today, but a party for the future.

It is organized from the bottom up, thus going through the whole process from grass-roots membership to choosing national leadership.

The desire is that the party will have increasing participation in decisions of the government. Clearly, this could not have happened before, because we had a party in formation that was not yet a party, without a structure capable of making decisions democratically.

We had a provisional commission of 11 members responsible exclusively for organization. Now, with the party's membership established, its organs must provide guidelines of political action that will be defined by the party platform. As it is the party of the government, the government should support it and its platform.

[Question] Would that include having cabinet positions?

[Answer] Being in the government means that everyone who is in the government supports the party, has common responsibilities and reciprocal loyalties. Thus, in a normally-functioning party system, such a dichotomy between party and government does not exist. We cannot deny that we are still in a transitional stage, we are emerging from a period of arbitrary rule, seeking a period of democratic normalcy, and the parties are just beginning. And, on our part, we have made an expression of belief in the party system. We could have put off for a year formalizing the party, but we instead organized it, creating its structures so they could function, because without parties—I have said this repeatedly—there is no salvation. There is only one way that modern democracies exist with civil rights, public freedoms, in short, the democracy that exists in the Western World—and that is by exercising the party system. There is no other system. The party has the function of representing the interests of the people, recruiting voters and presenting candidates and filtering popular aspirations, transforming them into government decisions.

[Question] Senator, in the Brazilian tradition the parties are collegial and electoral bodies entirely separated from the people. As a result of this, as well as of other factors, certain social followings called pressure groups, such as the church, the bar association, students, workers, have to some extent taken over the position that the party should occupy. Do you think the PDS is capable of retaking this position?

[Answer] I believe the guarantee that the nation will have strong and democratic institutions is directly linked to existence of strong political parties entirely different from those existing in the past. The Brazilian tradition is of weak parties. When they existed in an organized way they were limited to declaring candidates at election time and gravitating toward Congress. They were political factions—they never became parties. The political party in the modern world is as important in society as anything that is part of our life today. A political party cannot be compared at all with what it was a few years ago. The concept and the

action are different. We believe in party reform and the party we created is built on that base. Our platform was written consistently and is the best of all; it is the equal of any party platform in the democratic world. The structure we want to set up is new, belonging to a modern party, with functioning permanent organs, departments capable of generating policies, analyzing policies, having data banks, storing and retrieving information.

To exercise power we must create a party structure capable of generating power. This is the great goal of party reform. It is the major objective to be achieved. Today it may seem utopian, but even this should not prevent us from pursuing it. And as for the PDS, I can say that it is being created with this intention. And I believe the other parties will follow the same path.

As long as we do not have parties so organized, we will remain in a period of institutional instability. Due precisely to the phenomenon you just mentioned, because when parties do not exist political activity begins to be exercised by pressure groups, which is a distortion. The essence of democratic society is the action of pressure groups within their limits. In fact, the most clear and objective definition of a political party is that which says it is a pressure group that differs from other pressure groups because it does not have the objective of influencing power but of exercising power.

The pressure groups that exist in society are legitimate. The task of the democratic government is to harmonize them.

As the parties are not organized, this function has not been performed. And pressure groups have commitments to their interests and not to the general interest. Their aspirations cannot be transformed into government decisions because we would run the risk of accepting undue and heavy pressures—and that type of pressure can be a cause of rupturing society itself.

[Question] Aren't you afraid that the PDS will lose its majority in the Chamber [of Deputies] and the Senate?

[Answer] We must do everything to prevent this from happening. And I believe that it will not happen. But if it were to happen, it would be bad for the PDS, but worse for the nation, because Brazil does not yet have the political institutions—we are emerging from an area of turbulence—to live under a system in which the government has a minority in Congress. It would be a factor of instability for the nation that will not occur, nor would it be desirable for it to occur.

[Question] Senator, there is in Congress today-and you, as all other congressmen, can perceive it well--a general state of perplexity, especially among the PDS delegation, accustomed to saying "yes" or "no," without having a greater participation by the party, mainly due to the restrictions on the legislative branch, such as duration of terms, and so forth.

[Answer] From the legal point of view, the system of arbitrary rule has come to an end but, obviously, some behavioral patterns persist, which will be eliminated with the passage of time.

As political activity was limited, it is not yet being exercised with the potential that can and should be exercised. it is only a matter of time. I think we have already had extraordinary progress. Within 1 year in Brazil we had progress that other countries in the same situation have not had.

In Spain, which began this process much earlier than Brazil, they say political liberalization has become a dull party. This did not happen in Brazil. We passed the ammesty law, we managed to abolish AI-5 [Institutional Act No 5], we established the national dialog, a liberalization in terms of debate in Congress itself, in the press and in all sectors of society, which became unrestricted. We have a climate of completely democratic discussion throughout the land.

Within Congress, in the political area, due to its long period of hibernation, there was a certain atrophy in the exercise of political activity. The new generation in Congress and those remaining from the time when political activity was a predominating factor need some time to readapt to the process. I don't think there is discouragement. There is a transition phase in which we are subject to crises of euphoria or of frustration.

[Question] Senator, there is an economic crisis in the nation, there is a political crisis, and some serious problems in the social area. Do you think this will have a negative impact on the 1982 elections?

[Answer] I agree we have a serious economic crisis, which is worldwide. In Brazil we are witnessing the phenomenon of superimposition, with the political problem superimposed upon the economic one. If I were asked whether this generates institutional risks and I said it does not, I would be insincere. What we must do is evaluate the type of risk. Whether it is large or small. I would say that it is minimal, but it always exists, not only in Brazil but in every country that goes through the same process we are going through.

[Question] When the government makes mistakes it creates considerable dissatisfaction, which loses votes for the PDS. So the party will pay for this, without having participated in the government, or it will immediately demand changes in government economic and social policy. In other words, it will want to participate in the government so that if it has the name it also has the game.

[Answer] I think we are going to have a crisis of adjustment. The decision-making system in a closed regime is quite different from that in an open one, as in the latter everyone wants to take part in decisions, in order to benefit from the results. This participation has to be created. We must be prepared to cope with this phase of adjustment. It is not easy--in fact, it is difficult--but this "meeting of the waters" is one of the important points of the project of political liberalization.

[Question] You firmly believe that, from now on, the PDS will be integrated...

[Answer] I believe this is a necessity. There must be reciprocal loyalty because without participation we will always have the dichotomy, where everyone thinks the government is one thing and the party is another. The sooner this integration comes about, the better it will be for all of us. Not just for the party, not

just for the government, but for the nation, because it generates at the same time stability and solidarity, broadening the area of consensus.

[Question] Could the government take other measures, such as that of Mato Grosso do Sul, without asking the party?

[Answer] The party, I repeat, does not yet exist formally. We are in the process of organizaing and it is not yet known what methods we will use to gage internal opinion. The first thing a democratic party must do is practice internal democracy. What is the meaning of internal democracy? It means that, internally, everyone is entitled to an opinion, to help make the will of the party the expression of its majority. This can only be promoted through the party organization. The PDS will organize itself structurally. The great challenge to all us politicians is to make the various organs of the party structure function.

To the extent that they function effectively and efficiently, they will have much greater participation in government policies than today. Today we have isolated opinions of members of the party, but we do not yet have the opinion of the party. For that reason immediate organization of the parties is necessary.

[Question] The PDS convention will appoint a committee to prepare a broad program of constitutional reform and also preliminary bills for revising legislation. What will this committee do?

[Answer] We believe the process of political liberalization, from the legal point of view, will be complete with a broad and profound constitutional reform that can adapt the existing constitutional text to the nation's new policical reality.

As a political party, we cannot avoid this debate. The opposition believes this is possible only through the constituent assembly. We believe it is possible through a constitutional revision. The main problem is not really how to do it, but what we must do.

We are grappling with the question. The party, through its organs, after being organized, must cope with this problem, analyze it and be prepared to discuss it, to influence and participate in it.

We must mobilize our party, so it can have an impact on constitutional reform, examining the points we must adapt to present circumstances. Clearly, we have a great number of contributions that we must begin to systematize.

This is the object. The issue is before us, and the party has the desire to confront it.

[Question] When will this reform take place, Senator?

[Answer] I think the planning for constitutional reform should be done next year, when we will work on the matter. It should culminate the other reforms, as it is the high point, the ultimate, the completion of the process. We still have a number of laws that we must adapt to the new political reality: party legislation, part of the Organic Law of Parties. The law we passed must be revised in some

respects, as indicated by its experience and execution. This is a common task of all the parties. This is a subject of interest not only to the PDS but to all parties.

[Question] What about voting by districts?

[Answer] We are not ready to make a decision on this subject. I believe all these matters will be discussed at length. I have had a position for more than 20 years and I submitted a bill on the subject. But, as president of the party, I cannot express myself, as it is a very controversial subject. And since the time I accepted the presidency of the party I must submit to the position of the party, which does not have a firm position on the issue.

[Question] Senator, when the PDS manifesto was made public, that document presented some ideas which at the time were considered advanced. Now the convention must approve the manifesto, the platform and the statutes. The amendments that were suggested for this document are such as to make the party's philosophy more conservative. Or will it remain as is?

[Answer] I think we shall retain the original text. This is the tendency. The vast majority of the party, expressed in the state conventions, approved the platform, the statutes and the manifesto. So I believe we will retain the text of the manifesto and of the program, which I consider excellent. But we must realize that a platform is not to be accomplished in the short run, but is rather a number of aspirations in future terms.

I consider very important, whenever our platform is challenged, that we are the only party that is committed to a platform. This is certainly a great political advance for the nation. We prepared a platform that can be read, discussed and challenged. And that challenge must be made and the more that it is, the more we must adjust the ideas contained in that platform. I consider this a positive note.

[Question] Is this position that is taken in regard to the PDS and its platform really based on that solidarity? It is not between the party and the government?

[Answer] Of course not. We are creating an ambitions party, in terms of the future. We do not want the party to be suitable merely to the period of the present government, but that it establish solid permanent bases. I believe the PDS now has the solid structure and base of a modern party.

Furthermore, as the democratic system necessarily implies assuming that other parties may come to power, we must realize that we are forming a party that is not necessarily a government party. In future terms, it must cast its lot with that of Brazilian democracy.

If we were to organize a party thinking of it only as a government party, it would indicate that we do not believe in the possibility of another party being in power, which is not to believe in democracy. This would be absurd.

[Question] The opposition says it does not believe there will be direct elections. And yet it is presenting candidates in all states. The PDS, which does believe there will be direct elections, does not have candidates. Why is this?

[Answer] We have candidates. Aspirations of candidates for state office are latent and legitimate and exist within our party. Of course, the opposition, as it does not have major governing commitments, can transform such aspirations immediately and formalize them as candidacies. But that does not mean that the identical process is not going on within our party. Furthermore, I am sure there are potential candidates among the opposition who haven't been so bold as those who have already declared their candidacy.

[Question] But no governor has a candidate to succeed him.

[Answer] It is very early. With 3 years to go until the election, it does not seem appropriate for governors to be proposing candidates to succeed them. It would cripple the political process by jeopardizing the aspirations that might arise within the party. Nor is it democratic to be identified as "the governor's candidate." One should be the party's candidate.

The choice must be made through party organs. These organs are being formed. The highest nominating body is the convention. But the problem is not to be nominated, but to be elected.

[Question] Senator, as president of the PDS, what type of proposal can you make to the convention?

[Answer] We are taking on a big responsibility in founding a national majority party which must be capable of creating cadres who can generate and manage power. This is a great responsibility. To the extent that we are able to exercise this function we shall have a place in the political history of Brazil. If we cannot cope with this difficult transition period we will be penalized for not having been able to play the role that the nation requires and expects at a time of great difficulty.

[Question] What does the PDS, as it is about to be registered definitively, expect specifically of President Figueiredo?

[Answer] The president has provided great incentive to party organization. He is the honorary president of the party and without his aid it would have been impossible for us to form a party and put it in working order in so short a time. We hope that this relationship between the party and the government becomes so close that it can generate complete solidarity of the party with the government and the government with the party. Not an imposed, formal solidarity, but a voluntary solidarity that results from common ideals and common responsibilities.

[Question] What does the PDS expect of the opposition?

[Answer] We expect what we think the opposition must also do immediately: organize their parties and take their places. Unquestionably this action will hasten or consolidate the nation's process of democratic revival. This responsibility is not ours alone. When I say history will judge us, it will not judge only the PDS. If we fail in this period of political transition, if the political class is not capable of traversing this transition period, we shall all be penalized. And, perhaps, the opposition even more than we.

[Question] Why did you break off your dialog with the opposition?

[Answer] I did not break off the dialog with the opposition. It is permanent. These channels are open to consultation. Today I have the best relationship with party leaders who are in Congress. We have broken down, to some extent, that separation as though we were enemies when, in reality, we are adversaries. There is a ground of common interest that we can and should discuss, especially the most difficult problems, the most trying hours. At the time I had those contacts, we were having a specific problem and it was a very difficult period, when some congressional groups gave the impression of charging the military area for its paticipation in the 1964 Revolution. This could have forced us into a difficult situation. In reality, we must be aware that the Revolution occurred, it is a historical fact -- and we cannot defy history. It existed and, with so much work to be done in the future, we could not let Congress become limited to unjustly questioning the military action. We overcame this phase and the voices who tried to follow this path were unanimously condemned by the parties. It would be impossible for us to be in this process of political liberalization if the armed forces were not aware of and in favor of this liberalization. We must respect and support them so they can fulfill their mission and not let them be defied, instigating them to participate in a different way from that desired. This is an important point that we cannot fail to take into account. At the moment we form political parties we must acknowledge that the Brazilian armed forces do not have an autocratic tradition. They always interfere in the process motivated by their historic mission of preserving order and freedoms in case of impending danger through anarchy or attempts to establish ideological dictatorship.

The new system we seek as the basis of new parties, organized and functioning, respected and honored by public opinion, must have what modern democracies have: respected and well-trained armed forces as guardians of democratic and free institutions.

Political liberalization is feasible, inviolable and secure because it has the support and solidarity of the armed forces under the command of their supreme leader, the president of the republic.

We have no doubt about the democratic and patriotic feelings of our soldiers. And this is why, inside or outside Congress, the isolated voices that try to denigrate them should be strongly condemned by all parties.

8834

CSO: 3001

COUNTRY SECTION BRAZIL

## STATEMENTS BY CLERGY, LABOR PARTY CLAIMS RELIGIOUS SUPPORT

## Cardinal Salles Speaks

Rio de Janeiro O GLOBO in Portuguese 8 Dec 80 p 4

[Text] Returning yesterday morning from Rome, carrying a copy in Portuguese of the encyclical "Dives in Misericordia" presented to him by Pope John Paul II under his arm, the cardinal archbishop of Rio de Janeiro, Dom Eugenio Salles, expressed his concern at "the infiltration of ideologies contrary to Christianity in the Rank and File Ecclesiastic Communities."

Dom Eugenio explained: "There are persons who try to distort the truth of those communities." He also spoke of the current "state of sin" in Rio of the government as well as the Church.

Dom Eugenio, who made the trip to the annual meeting of the Sacred Congregation for the evangelization of the people—whose work he considered "very satisfactory"—also said that the pope "does not forget the Brazilian faithful who received him so well when he was here." He was received by auxiliary Bishop Dom Karl Josef Romer and later he granted a collective interview in the administrative meeting room of the airport.

The cardinal was enthusiastic about the "infinite beauty of the form" of the second encyclical by Pope John Paul II: "Dives in Misericordia."

He said: "Redemptor Hominis, the first encyclical, was about man in the present context. In this one, John Paul II spoke more about God in a continuation of what he said in the prior encyclical. Now more than ever, he speaks about the role on injustice and criticizes materialism."

Showing a yellow-covered booklet to the reporters, the cardinal said: "I have in my hands what is perhaps the first official copy of the encyclical published in Portuguese, the "Dives in Misericordia," a true religious masterpiece." They are words which all Catholics should read and remember."

Rank and File Communities

Dom Eugenio did not wish to comment on recent statements by Archbishop of Fortaleza Dom Aloisio Lorscheider.

"I learned by telephone that the Cardinal really said something about the Rank and File Ecclesiastic Communities but I do not know what he said because it was not possible for me to read the published text. I will comment only when properly informed."

# Further on he said emphatically:

"I speak only on what refers to my diocese. And to tell the truth, the existing state of the government is one of sin here in Rio de Janeiro, as is also the case of the church I lead. I will explain: if it were not that way, we, the cardinal, bishops, priests, brothers and laypersons would be more faithful to the Gospel. And that is because they do not do what they should do. I place myself within that situation as a bishop and that is what I think. Rio de Janeiro would be better if we were all to struggle together. That is why the government should act, correcting faults, which are not up to me to point out because I would not accept its leaders saying something about my faults."

Dom Eugenio then spoke about his "greatest concern," the infiltration of ideologies contrary to Christianity, and of political factions into the Rio de Janeiro Rank and File Communities.

He said: "I have fought against that with practically all my available time, and I believe with success. The line advocated by the diocese is one of complete elimination of tensions in politics, including with the help of some associations because the slogan of the communities is "Respect for persons."

He continued: "But I have felt that various ideological groups have found an extraordinary, truly appetizing dish in them, where it is easy to find the people gathered, wisely discussing and debating their day-to-day problems. I respect politicians very much but I cannot deliver the communities to specific groups, who would manipulate them, or to persons with ideologies contrary to Christianity, such as the communists, for example."

### Annual Meeting

This year's meeting of the Sacred Congregation for the Evangelization of People had the help of the Misereor Institute, a German group for helping the Third World, which provided 10 of the 30 experts. The other 20 were provided by Urbaniana University. Papers presented were collected in a symposium which had as its title "Development of Emerging Culture" with three variants: "Development and Society," "Human Advancement," and "Functions and Dysfunctions of Development." The primate of Brazil, dom Avelar Brandao Vilela, archbishop of Salvador, participated in the analysis as vice president of the General Council of the Pontifical Committee for Latin America.

#### Bishop Advocates Social Justice

The bishop of Santo Angelo [Rio Grande do Sul], 459 kilometers from the capital, Dom Stanislaw Kruetz, said yesterday that "the Church received as normal," the speech made days ago by the PDS [Social Democratic Party] leader in the Senate,

Jarbas Passarinho, "because he is an intelligent man and understands the situation." He continued: "It happens that the ideology of the government is not compatible with the structures and mensage of the pope. The Church makes it a point to place itself in the area of truth and social justice. Since Jarbas Passarinho understood that, that is, he understood the reasons for the differences, it is logical that he react."

Primate Minimizes Problems With Government

The primate of Brazil, the cardinal and archbishop of Salvador, dom Avelar Brandao Vilela, in an analysis in his Sunday talk on Church-State relations, said that "instead of diagnosing the phenomenon as normal between independent entities in a transition phase," many tried to "provoke and incite possible confrontations of an unavoidable nature."

In the opinion of dom Avelar, the incidents which occurred "gave room to the emergence of fantastic ideas, extravagant opinions and flights of fancy worthy of the best fiction novels."

The Complete Text

The latest incidents between the Brazilian Church and State led to some clashes and collisions in the religious and political sectors of the country and gave room for the emergence of fantastic ideas, extravagant opinions and flights of fancy worthy of the best fiction novels.

Instead of diagnosing the phenomenon as normal in the relationships of independent entities undergoing a climate of transition and consequently of unavoidable changes, many tried to provoke and incite possible confrontations of an unavoidable nature. It is on the basis of that universe of concepts and expectations that a disagreeable episode goes on to assume gigantic proportions and the attitudes of groups or persons are pictured as a living and final expression of all official institutions.

Thus, the singular becomes general and that which is relative acquires the category of the absolute. And there appear words in the form of challenge and the watchwords begin to circulate, depending on the desires of the manipulators of public opinion.

What is happening to the Church, the mother church of Brazil, that church which instilled in it the first hopes in that wild place of discovery?

What is happening to Brazil, which today represents millions of human beings desirious of happiness and worried about their future, but which undeniably owes the Church inestimable services in all sectors of life?

Was it the Church that changed or was it Brazil that changed its philosophy?

Both have the same interlinked dustiny, although at this time they are undergoing the ostensible effects of ideas and the moral and social behavior which affects the climate of the times.

Brazil is distinguished from the regimes, which temporarily directed the course of its history, just as the Church cannot be totally confused with occasional representatives of its social action. The institutions are greater than isolated persons and events.

A question to be pondered: Should the Church hierarchy treat those who today do not participate directly in its specific movements, but who proclaim they are its children, as if they were unbelievers and completely incapable of conversion or of being helped by religion?

Are those who do not accept a certain pastoral line of the Church truly heathen?

What was the behavior of the early Church toward the heathen? What was the attitude of early Christianity toward the ill-intentioned Pharisees and Saduccees?

In Brazil, it is obvious, we have a scale which runs from 10 to zero in whether or not the guidng principles of Christian conscience exist. Does that fact give us the right to systematically reject and condemn those who are weaker in faith and less enlightened in the performance of duty?

In the sociopolitical field, does the acknowledgement that Medellin made of the state of sin existing because of the uncertain living conditions of most of the Latin American people, authorize us to apply to those responsible for a certain moment in history, the harsh accusation that they are also in a state of an unpardonable sin?

Are there no attenuating factors such as being unaware of the dangers; the inability to perceive a complete reality; the presumption that the way embarked upon will bear fruit in the long run?

All these reflections lead us to understand that the mission of the Church is not so much that of condemning as it is one of educating, opening roads to a better life, forgiving and being charitable, until it is verified that good will and good intentions exist.

Lord, guide our footsteps, enlighten our minds and strengthen our faith.

Lula Claims Community Support

Rio de Janeiro JORNAL DO BRASIL in Portuguese 4 Dec 80 p 7

[Text] Sao Paulo--After describing the new minister of education, Gen Rubim Ludwig, as a man of "good sense" because he talked with strike leaders, the president of the Workers Party [PT], Luis Inacio da Silva, said yesterday that the Church "does not support our party nor does it support any other party," but admitted that members of the Rank and File Ecclesiastic Communities "are sympathetic toward the PT."

Lula received the support of some student leaders and revealed that the PT will hold its municipal conventions on 28 July. Regional conventions will be held on 16 August and the national convention was scheduled for 6 September. Signing up for membership in the PT was the former president of the UNE [National Student Union] Rui Cesar; the former vice president of the same organization, Alon Feuerwerker; Marcos Galvao Caloi, formerly of the State Students Union [UEE] and Maria Francisca, also of the extinct directorate of the UNE.

# Candidat ea

The PT president asserted that his party is readying candidates for 1982 at all levels and admitted the possibility of coalitions. "In the PT the workers are organizing to arrive at power," he declared. In his understanding, the sympathy that the church rank and file communities revealed for the PT "can only help the party."

He recalled that during the last metalworkers strike at the ABC (the industrial sections of Santo Andre, Sao Bernardo do Campo and Sao Caetano do Sul), the Rank and File Ecclesiastic Communities "gave support to our strike fund and helped in the distribution of food." Lula said that the ABC metalworkers continue to believe that the old union leadership (deposed during the strike) "did not vanish" after the intervention. He said that "there is a wage campaign and the workers accept the old leadership as class representatives." He criticized Hinister Hurilo Hacedo when he declared that Hinister Ludwig has "good sense," because talking with strikers who make demands is an obligation not a favor.

8908

CSO: 3001

COUNTRY SECTION CUBA

## NATIONAL VANGUARD WORKERS HONORED BY FAR

Havana VERDE OLIVO in Spanish 23 Nov 80 p 54

[Article by Mario Rodriguez: "Homage to Vanguard Workers"]

[Text] Recently a ceremony in which our Revolutionary Armed Forces (FAR) honored the 34 most outstanding workers of 1979 in socialist emulation, selected from among the national trade union vanguards, was observed at the Central FAR House.

This group of workers, to whom the Jesus Menendes medal was awarded, were accompanied by 32 leaders of the best came cutting brigades in the past harvest and other outstanding workers in various sugar production tasks, who were also recipients of the high award conferred by the Council of State.

During the ceremony, which was attended by many officers, soldiers, sergeants and vanguard civilian workers in the FAR in the 1979-1980 training period, Capt Lazaro Alonso Nodarse, a vanguard officer in the DAAPAR [Antiaircraft Defense and Revolutionary Air Force] gave an address. Welcoming those present, Captain Alonso spoke of the great honor accorded the participants by the presence of this group of comrades who have done such outstanding work in the fulfillment of the various tasks entrusted daily to the workers' class in all sectors of our economy. He went on to say:

"You comrades, both men and women, represent the self-sacrificing effort and creative enthusiasm of our workers' class. You continue as you have to date to give the best of your lives to the development of our revolution and our entire society."

Expressing thanks for the simple but moving honor, Comrade Clara Cabrera, National Vanguard Worker of the Villa Clara Education Union, said:

"We want to pledge to the representatives of our Revolutionary Armed Forces, who defend our skies, our seas and territory so courageously, our continued effort with the same determination and responsibility, and our intention to salute the second congress of the glorious Communist Party of Cuba with more efficiency and the fulfillment of our daily tasks."

5157

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COUNTRY SECTION CUBA

#### HILITARY RECIPIENTS OF VANGUARD AWARD INTERVIEWED

Havana VERDE OLIVO in Spanish 23 Nov 1980 pp 52-53

[Article by Juan Valdes Figueroa: "The Third Important Homent in His Life"]

[Text] "What has been the most moving moment in your life?"

Guards Captain Normando Eloy Brito Quintero could not answer us immediately. He fell to thinking.

"There have been so many!" he told us. "But in any case I can mention three peak moments: when I was accepted into the party ranks, when I was named an PAR vanguard officer for the first time, and now, when I was elected a direct delegate to the second congress of our glorious Communist Party of Cuba."

On Tuesday, 26 August, Normando was participating in the ceremonies held to honor the FAR vanguard personnel, the third time he had done so. That day the meeting to elect the direct delegates to the second congress of the PCC [Communist Party of Cuba] was held at his unit in his absence. The meeting voted to include him on the slate as one of the candidates. In the 45 minutes this important selection process lasted, what is now a reality was proposed, discussed and approved: Normando Eloy is the direct delegate of his unit to the second congress of the PCC.

On Thursday, 28 August, Brito returned from the ceremonies to honor the vanguard personnel. When he opened the door to his home, his wife, who works in the same unit, whispered to him, full of emotion, "congratulations, Normando." And without giving him time to ask her why she was congratulating him, she said aloud, "you are the direct delegate to the second congress!" There was no answer. Both his eyes and hers filled with happy tears as they stood quietly, gazing at each other. This was the third peak moment in his life.

We have at hand his biography, and the following lines immediately leap to the eye:

"Joined the FAR in 1963." "Pursued studies in the Soviet Union." "Joined the UJC [Union of Young Communists] in 1967." "Joined the PCC on 12 October 1971." "Awarded the title 'Of the Guards' for outstanding work in combat and political training in 1976, the 'Granma Year 20' award in 1977, and was named FAR Vanguard Officer in 1976, 1977, and 1980."

"We believe that the direct delegate to the second congress is a most worthy representative of our military, because of his merit, his attitude toward work and study, and his excellent fulfillment of his social duties," Guards Major Antonio Garcia told us.

Together with Esperanza Perez, his wife and working comrade, Normando has established a family, in which a girl and a boy are growing up and being educated. "He is a man concerned about the education of his children and the advancement of his wife," Guards Captain Ramon Cordove told us, adding: "The CDR [Committee for the Defense of the Revolution] has awarded him the title 'Exemplary Father'!"

His wife told us: "He is a faithful adherent to the family code, and what he usually tells me is this: 'At work I am the chief, at home I am your subordinate.'"

Normando serves as an officer of the CDR, and is a "front line combatant" in that organization.

Guards Captain Jose A. Perez talked to us about Brito. "He is zealous in carrying out his work, modest and very generous." He, like the other comrades, agrees that Normando is an extraordinary man." He has mastered various specialties related to his work in addition to his own. In 1979 he succeeded in reaching the highest category: he is a master technician. They regard him as extraordinary because in addition to all of this he took third-year courses at the university in the electrical engineering specialty and passed his subjects with outstanding marks. He was capable of doing all the above without failing to fulfill the tasks of combat and political training of the personnel.

"I studied with him in the USSR. He was then a little more than 17 years old. He had the soul of a child, but the character of a man." Guards Captain Ramon Cordove told us something more about Normando's life. "After some years, we met again in this unit." He stopped and recalled: "Once I persuaded him that we should continue our advancement at the university. This was rather difficult at that time. The preliminary check of the combat firing was being made in the units. It was almost impossible to study. I could not, but Brito found the strength to study in the early morning hours. He was already in the third year of his course. His iron will as a communist is a worthy example for the comrades in the military unit to imitate."

Norman was a delegate from his unit to the party conferences in 1975, 1977 and 1980. He was secretary general of the PCC cell in his unit in 1978 and education secretary from 1974 to 1978 and in 1979.

We sought out Brito to say goodby. As always, his eyes revealed a man who acts with the modesty and simplicity of the communist. And that brief talk I had with Major Juan Mendoza, who was a delegate to the first congress of the PCC, came to mind. When he returned to the unit after the conclusion of that historic forum in 1975, Brito asked him jokingly:

"Hendoza! What do you have to do to attend a congress?"

"Work!" Hendoza answered him.

And here now, after five years, Guards Caprain Normando Eloy Brito Quintero has been elected as a direct delegate to the second congress of the Communist Party of Cuba by his comrades.

42

COUNTRY SECTION CUBA

PCC WORK ON COMBAT READINESS IN DAAFAR UNIT DESCRIBED

Havana GRANMA in Spanish 22 Nov 80 p 2

[Article by Enrique Sanz Fals: "Party Work in A DAAFAR Antiaircraft Artillery Unit in Support of the Task of Increasing Combat and Mobilization Readiness"]

[Text] Our glorious Revolutionary Armed Porces (FAR) have played a decisive role throughout these years in safeguarding the conquests of our people in the building of a socialist society. They have been the faithful guardians of the fatherland and have successfully carried out the missions entrusted to them by our Communist Party and by Commander in Chief Fidel Castro.

As the program platform says, "the Revolutionary Armed Forces represent the armed and certain bulwark for the defense of the fatherland against any possible aggression, direct or disguised, by the imperialists."

The combatants in our FAR have been educated by the party in the principles of Harxism-Leninism, proletarian internationalism and the love of patriotic values. They set an example of discipline, modesty, simplicity and self-sacrifice.

Our people feel justly proud of their glorious armed forces.

Throughout all these years the party has devoted priority attention to the development and perfecting of the FAR, which, as a result, have considerably strengthened the defense capacity of the country and have substantially increased the combat and mobilization readiness, as well as the political-ideological training of the combatants.

Together with these important tasks, the party has worked zealously in the FAR for the proper functioning of its base organizations, which have developed increased strength and cohesion.

Concerning this aspect, Comrade Fidel Castro, in his main report to the first congress, said that "the work of the party within the armed forces has made it possible for its organizations to achieve a high level of maturity and development, through systematic study, from their beginnings, of Marxist-Leninist theory, the strengthening of their internal life and constant and qualitative growth of their ranks.

Subsequently the first secretary of the party said that "in the development and perfecting of the Revolutionary Armed Forces, an outstanding role has been played

by the commanders, officers, political workers, and party bodies and organizations which, throughout these years, have trained the combatants in the field of modern combat technology and consistent mastery of modern military art, and they have been able to march at the head of their troops to repel the armed attacks of the enemy."

How the Party Functions in the Military Unit

In order to understand the details of the functioning of the party in a base organization of the FAR, we recently visited an DAAFAR [Antiaircraft Defense and Revolutionary Air Force] antiaircraft artillery unit. There we were told in this connection by Capt Juan Bonet Vinas, party organizer (replacing the head of the political section of the unit) that "the party functions in the FAR on the basis of the Leninist principles of organization, being governed by the program platform, the party bylaws, and its own regulations and special instructions, which are ratified by the central committee. Its structure is based on the principle of territoriality, bearing in mind the inherent characteristics of military units."

"It is necessary to stress," he went on, "that all the decisions of the higher party leadership organs are necessarily binding on the base organizations, both in civilian life and in the FAR."

"In the cell meetings," he said, "there is democratic centralism. All of the militants have the same rights and duties and therefore all of us can criticize and be criticized; all of us are required to carry out the tasks the party assigns to us."

The FAR cells also meet periodically, draft their labor plans, organize study circles, submit reports to the higher bodies and work toward growth.

"The main directions of party work in the unit," Captain Bonet said, "are oriented toward increasing combat readiness, maintaining, utilizing and safeguarding technical equipment and weaponry, consolidating the political, moral and disciplinary status of the personnel, as well as the fulfillment of the tasks of internal life."

"The party," he added, "has worked hard to insure fulfillment of the agreements of the first congress pertaining to combat preparation in the military unit. As a result of this work, we have won satisfactory marks in the tasks carried out both internally and by the higher command in the last three years."

Lt Col Hector Castellanos Naranjo, the unit commander, for his part, said that "the majority of the officer personnel are party members, and this has made itself felt in the results achieved in recent years. We have had notable achievements in the daily work of the unit, and this has been due in great part to the support and influence of the party work. There is great unity between the party and the command in our unit. We feel satisfied with the work and the fulfillment of the task."

The tasks of internal life have been carried out in the unit, we were told, consistent with the agreements of the first congress, and in similar fashion, the plans for growth have been achieved, and the militants who had not reached the eighth grade level at the time of the first congress have since done so.

"Internal life in the cells of the unit is developing normally," Captain Bonet said, adding: "Basically, the tasks are carried out properly during maneuvers and exercises by all of the militants. Whenever there are important activities, the party holds meetings and adopts resolutions and measures in support of their fulfillment. When we set out to fulfill these missions, each militant knows perfectly well what tasks are assigned to him by his cell. Then the cell meets again and analyses the work done and drafts conclusions."

The party leader said in conclusion that "there is great unity, interrelationship, comradeship, knowledge of the problems and enthusiasm here."

"Our armed forces, as Comrade Fidel Castro said in his main report to the first congress, has been a great school for conscientious, responsible and disciplined cadres for the revolution."

Within the FAR, the main task of which is the defense of the conquests of the working people, the party constantly maintains its influence with a view to the achievement of the goals set forth for combat and mobilization readiness, operational, combat and political training, the maintenance of technical equipment and weaponry and military discipline.

Similarly, the base organizations of the party devote constant concern to strengthening the single command, which is one of the basic principles of the military structure. The communists are the basic support, the force promoting and directing all the activities of the troops toward the fulfillment of the missions assigned.

5157

CSO: 3010

COUNTRY SECTION CUBA

## NEED FOR GUIDANCE INTO HIGHER EDUCATION NOTED

Havana GRAMMA in Spanish 28 Nov 80 p 3

[Article by Georgina Jimenez: "Concern for and Direction of Young People Toward Higher Education Needed"]

It is somewhat shocking to find that on occasion our 12th grade students face the problem (so important in their lives) of selecting a profession or deciding whether or not to accept a scholarship abroad without the proper guidance at their study center, without any evidence of interest in seeking them out and helping them to make the decision.

Just recently a list of more than 100 specialties (traditionally known as university courses) which can be pursued in the USSR and the other socialist countries, and the general requirements for choosing among them, has been posted on the bulletin boards in pre-university establishments. There are centers where access to these bulletin boards is such that it is left spontaneously to chance whether or not the students will come upon them, which they may not, for sometimes the placement of this information has not been in the best places, but in remote corners.

But this is not all. The notices placed on the bulletin board are limited to just a list of the names of the specialties, and in general the young people do not know what each involves. This is inconceivable, if we take into account that in all the pre-university establishments there is at least one copy (we believe there should be more than one) containing an occupational profile of a graduate in each of these specialties, and in many educational centers the students do not know about this. We have seen this to be the case. They do not even know that such a copy exists.

This goes beyond a lack of efficiency and organization. It seems to us that insensitivity is involved. How can we remain unconcerned by matters so basic to our students? Professional guidance is the duty of the state to young people, so that they can reconcile their individual interests with the needs of the country. And the most direct tool for the state in working with the student is the director of the pre-university establishment (which is the reason he is designated president of the enrollment commission at the institution).

Therefore it is indispensible that, with a view to the next period for the allocation of higher educational opportunities on the national level, directors and teachers (mainly counselors) be well informed about the mechanism of the enrollment system and make use of all the possible means of information and publicity. How much timely

guidance can contribute to the peace of mind of a young person and his parents, and to avoiding errors or misdirections which may months later affect the work of those on other levels responsible for selection and the allocation of opportunities to thousands of young people!

In this connection, there are joint agreements between the ministry of education and the ministry of higher education for coordinated work, and since the last school year there has been a MINED [Ministry of Education] resolution (Nos 100 and 101) to this end. But the guidance must be carried out at the base in order to be effective, for independent of the understanding which may exist on other levels, it is here, at the school, where the success or lack of it in the task undertaken is first determined.

The party cells, the organizations of the UJC [Union of Young Communists] and the FEEH [Federation of Hiddle School Students] have an obligation to promote and channel these basic questions (and that is what they are) of interest to the student body, and this is a policy of the leadership of the revolution. But as we have said, we cannot view this coldly as a duty directed and spelled out in resolutions. There are things which must be undertaken efficiently, motivated by the conviction that they are important and necessary for our students, who depend so much on us at times like these. These things include their access to higher studies.

Feeling this to be true is one of the reasons for the existence of each educator, whose duty it is to be always involved in the interests and the future of his students.

5157

CSO: 3010

COUNTRY SECTION CUBA

REPORTAGE ON CUBAN STUDENTS, ACTIVITIES IN GDR

Havana JUVENTUD REBELDE in Spanish 20, 21, 24, 25, 27, 28 Nov 80

[Article by Marcos Alfonso: "Cuban Youths in the GDR"]

[20 Nov 80, p 2]

[Text] "I will tell you something else.... I miss my land.... No one will ever know how much I love it!"

There was nothing except occasionally some road or sign that revealed the presence of man. Only the trees and birds found shelter in this land on my island.

The names and faces of these sweaty youths who passed in front of me might never appear in the stories of any writer.

Now they have gone beyond the Atlantic to another land that welcomes them as its sons. They work hard, learning the secret to good work in another language. They are better preparing themselves for their future in the land where they were born.

On 4 May 1978, an agreement was signed between the Cuban State Committee for Labor and Social Security and the State Secretariat for Labor and Wages of the GDR. It summarized the talks and visits by intergovernmental delegations of the two countries concerning the temporary use of young Cuban workers who would work and be trained in production in the GDR.

The first ones arrived at Karl Marx Stadt Province 2 months later. Today there are 5,053 youths working in the provinces of Halle, Leipzig, Magdeburg, Dresden, Cottbus, Erfurt, Gera, Suhl, Berlin, Potsdam, Schwerin and Naubrandeburg.

The youths are trained in 64 specialties: 68 percent, mechanical; 15 percent, chemical; 8 percent, electronic; 6 percent, construction; 2 percent, textile; and 1 percent, metallurgical.

The new workers are grouped in 68 collectives in the GDR. By the end of 1980, there should be about 7,000 youths working and receiving "on-the-job" training there.

Not Just "Guten Morgen"

Unquestionably, one of the most difficult barriers for the inexperienced workers to overcome is the language barrier. It is not enough to learn to say "guten morgen"

(good morning). They need to learn the technical vocabulary of their specialty and enough vocabulary to get along in the country.

In addition to the 200 hours set aside in the agreement for learning the language (not enough, in our opinion), they continue learning by practice and effort. It is not unusual to find German teachers now who mumble a little "Cubanish" (as they jokingly call it).

The Cuban youths must be between 18 and 25 years old and have at least an eighth grade education. However, flexibility in the selection at times causes problems. A youth with less education cannot learn the language, much less the technical material that is taught.

Remember, they will remain in the GDR for 4 years. Their main duty will be to work in the enterprises to which they are assigned and, at the same time, be trained.

During the first 15 to 24 months, they receive 42 days of vacation which must be taken at one time in Cuba.

Other Side of the Coin

Like any undertaking, this is not without problems. They exist and, as the Cuban economic office in the GDR stated, they are varied. The main problems are as follows:

- 1) The selection at times is not as strict as it should be and, occasionally, youths without the required educational or political level arrive in the GDR. They eventually must be returned to Cuba.
- 2) There are discrepancies, already being worked on in the GDR, between the job descriptions that are assigned to these youths in Cuba and the German enterprises' concept of the same job.
- 3) There is no training period > conditions i conditions

It should be stated that the necessary measures to correct these problems have already been adopted and the program progresses as planned, according to the law.

Keep in mind that many of these youths do not have (or did not have) work experience. They arrive in a country like the GDR where the working class, in addition to its proletarian and fighting traditions, possesses admirable strictness and discipline. This demonstrates the need to prepare them properly before their departure.

Out of the salary which they receive (since they are considered regular workers at the factories or enterprises where they work), they are given 350 marks (the national currency of the GDR). Sixty percent is withheld and sent to Cuba to be deposited in the bank in national currency. They also receive 4 marks a day as a separation allowance.

With this money, the youths pay for housing (they generally live together in apartment buildings), food, transportation, clothing and, obviously, recreation. They

also pay the UJC [Union of Young Communists], party or union. (They are affiliated with the Free German Unions and, thus, enjoy similar rights and have the same duties as the native workers.)

# Adaptation

The oldest ones (that is, the pioneers in this work) report that there are various problems to overcome in adaptation: the language, the climate (this year, for example, there is an early winter), the labor discipline, the cultural customs and, to a lesser degree, the food.

It should be recognized that the CDR is a nation with highly cultured people. They are also an example of labor and social discipline.

The group living generates problems when there is no previous experience or adequate preparation although they are not acute problems.

Then there is the use of free time.

The enterprises and the committees of the FDJ [Free German Youth] play an important role in this; they organize many activities with the UJC.

Most of the collectives already have baseball, volleyball and soccer equipment, table games and a library. Some have formed cultural groups.

There are already some Germans who, on more than one occasion, have grabbed a glowe and participated in a "pick-up" game.

The most important part of this experience is that many of these youths (let us say, the majority) are important to the enterprises in which they work, most of which produce exports.

In spite of the language barrier and other organizational problems, it works.

They need only smooth the road a little and continue advancing since the inexperienced workers from my island not only work in the GDR now but they are also in Bulgaria and Czechoslovakia.

Although their names and faces do not appear in the stories of any writer, they are there, beyond the Atlantic, preparing themselves to build the future on the red earth where they were born.

[21 Nov 80, p 2]

[Text] Hector Munagorri never was a good ballplayer.

This Cuban over 6 feet tall is not a good athlete either, but it is not unusual to see him outside Alfred Kowalke in Berlin with a glove on his hand.

People shout to him: "Munagorri, catch one for your mother!"

Let us change scenes and go to the EAW [Elektro Apparate Werke] (electrical equipment enterprise) in Berlin. The opposite will be heard there.

Munagorri! That Cuban is great at work!

Even Gunter Ludwig, foster father for this group of Cuban youths being trained at the Berlin enterprise, recognizes Munagorri as an example of the Cuban younger generation.

It was almost a year ago when the inexperienced workers from the Caribbean arrived at the EAW. Since then, they have specialized in milling, lathe and press. It is a mixed group with men and women, or boys and girls--whatever you want to call them.

The majority came from Cuban agricultural regions and the first 15 days were tense, especially because of the language.

In a modest and attractive—especially warm—office of the EAW, JUVENTUD REBELDE interviewed three Cuban youths who work there: Maria Garcia, Munagorri and Ramon Santana. It also interviewed Irina Kreysh, second secretary of the FDJ in that enterprise, and Papa Gunter who has the Order of Gold, the highest award that the German state gives for service to the fatherland.

Maria at Bat!

Maria has eyes like grasshoppers that do not know where to land and a broad smile.

She has worked for 10 years but it is different in the GDR. Everything depends on one's ability to adapt, especially for the women.

She said: "There are 20 girls here and the biggest problem we have had has been illness because of the climate which causes abrupt physiological changes."

The reader should know that this is a continuous production enterprise. When you have the morning shift, you must get up at 0430 hours and catch the streetcar or subway in order to arrive at 0500 hours. Let us add that it is 2 or 3 degrees below zero. Imagine!

"Parties? Of course, like in Cuba....When we are paid, we always find "occasions" in this building. We fill our free time although we also study the language daily. It is necessary to wash, iron, cook and all those things....Although there are no married couples, people in the group have paired off."

Munagorri, the Best

Munagorri reported: "Here one must work, perform and listen to learn what they teach us. That is our mission and we must carry it out completely.

"We must not neglect discipline and learning the language. That causes the most complaints since, at times, there is someone who thinks that because he knows four words, he does not need to learn more. Then come problems with the technical terminology.

"We have recreation. I myself am bad at baseball but I play it. There are places to go: dances, museums, movies, etc. We have girlfriends....It should also be stated that our German professors and work colleagues are very concerned with our group.

"We have worked to form a musical group and the factory bought us instruments.

"We live four to a room in the building and we have a refrigerator and radio. Any maintenance problem is taken care of immediately. Our hosts, as we call them, are very conscientious."

Ramon and the UJC

Then Ramon Santana spoke:

"There are already 107 youths in the EAW, many of us without work experience.

"The work is aimed at specialized training and, especially, learning the language.

"At the very beginning, the FDJ established contact with the UJC--we have 51 members--and we have developed many joint activities (cultural, sports and recreational ones).

"The group balances work with language study because there are three 8-hour shifts daily in the enterprise."

Irina, Gunter Express Opinions

Irina: "After the first contacts with our UJC colleagues, we signed a cooperation agreement in which we set forth the work principles for the Cuban workers in our youth brigades. (There is a collective named Intercommos.) We have worked together.

"Not only do we emphasize the economic results but we also work on the social aspect: cultural activities, sports and meetings to exchange experiences. The cooperation has been magnificent until now and is increasing.

"The FDJ has also supported the Cubans in volunteer work which they have done as a salute to the Second PCC [Communist Party of Cuba] Congress with the objective of collecting funds for that important meeting."

Gunter: "I must begin by saying that the EAW has some 10,000 workers. Its main products are electronic equipment for ships, thermoelectric equipment, industrial refrigeration, transistors and measuring equipment.

"When the youths arrived at the enterprise, they did not have any training. Today they are already important in some jobs. Many Cubans try to learn fast; Munagorri is one example. Others are a little lazy but all, to a greater or lesser degree, have advanced.

"We have regular contacts with the collective and we have joint activities. We are happy with the results."

Housing

The meeting did not end at the enterprise. After the interview, we went to Alfred Kowalke 24, the building where they live. We saw the clean and neat housing.

Some girls were cooking; others performed different domestic activities. The athletes played baseball and football. When they saw Munagorri come, they hid the gloves. However, they all came over to him and Papa Gunter to be included in the photographs for this report.

There is no question. There have been problems but there has also been progress. The road should be smoother. In spite of the distance, they are happy and that is what is important.

[24 Nov 80, p 2]

[Text] It seems easy to make traveling or portal cranes.

However, when you enter the confusing world of iron and laminates, solders and gigantic lathes, your image of the giants with steel arms that carry everything completely changes.

Eberwalde is a town some 60 kilometers from Berlin. The little town is picturesque because of its varied architecture where houses with red tile, double-sloping roofs with their ever-present dormers and chimneys predominate.

Hans Joachim Elseberg, teacher for some Cubans, told me that Jorge Callejas would learn much more quickly if it weren't for his hair.

This joke by the milling section chief about a Santiago 18-year-old who works very hard at the crane factory led to a spirited dialog.

"What do the Cubans do here?"

"They are trained as machinists, shavers and lathe and plane operators."

"The best?"

"The machinists and lathe operators. The shavers do well, too. They are already important to production."

"Disciplined?"

"Yes, they maintain very good discipline and are very clean in their work."

"Problems?"

"The language. Although it should be said that the machinists work without direct instruction after the first 6 months."

"Considering the time that they have spent in the industry, how do you evaluate their learning?"

"Very good. Their development has been very positive."

Callejas from Santiago

"What has your training here meant to you?"

"It has meant a lot. I was not a worker; I was a preuniversity student. In the year I have spent here, I have pretty well learned the specialty for which I am being trained."

"And the long hair? Is it because of the cold?"

"It is the style, you know; it is not because of the cold. Actually, I have neglected myself but I assure you that I am going to cut it soon...a little. I am young and here, you know, long hair is not all that bad."

"It is your decision, of course?"

"Of course, of course."

Andres: First Anniversary

When I saw Andres Estrada, a 24-year-old from San Luis, seated in a little car that moved back and forth, I thought that he was playing or something. (My mechanical ignorance will be the death of me.)

Andres is the operator of a horizontal lathe with many cutters. In the little car, he was adjusting the sweep of the cutters on the metal. The sheets of steel or iron that will form part of the cranes are prepared here.

Estrada can say that he is a lathe operator.

"What can you tell me about this year in the GDR?"

"I have used it well with my teacher." (Andres turned his head, looking for the German technician who has trained him; he sat smiling.)

"And what does the teacher think?"

"Andres works very well. He fulfilled his quota like the rest of the workers. He is punctual and also participates in all the tasks of the enterprise. He can already work alone with the machine. He has learned the language and can converse in German."

Inside Ebervalde

At present, 43 Cubans are working in the Eberwalde crane factory. A high percentage of the collective learns the material well and completes their work although, at the beginning, there were some cases of low education.

The factory has 3,500 workers. It manufactures assembly, portal (for ports) and freight cranes.

The cranes are exported to 24 countries on four continents although the main buyer is the Soviet Union. (The enterprise has already produced 1,700 cranes for the USSR.)

The factory produces 12 cranes a month which are shipped in parts and assembled in the purchasing countries.

This year the enterprise allocated 10,000 marks for recreational activities for the Cubans (cultural activities, sports, excursions and visits to historic sites). This fund will total 16,000 marks in 1981.

Nevertheless, according to Klaus Dieter Wichmann, first secretary of the FDJ in the factory, joint activities with the UJC should still increase. They are working in that direction.

They are now working on the integration of Cuban youths to the FDJ youth brigades in order to carry out many bilateral tasks.

In Eberwalde, in spite of the good workers, there is still work to be done.

One can ask: "Isn't it hard to spend 4 years training in a foreign country with different customs and a different way of life?"

I gave Andres Estrada a firm handshake when leaving. He looked at me smiling, shrugged his shoulders and told me:

"It is not easy. However, we come here and we will be here to fulfill the assigned goal. We cannot think of ourselves but do this as Cubans."

"And the separation from your family?"

"That passes, comrade. The thing is to work and train ourselves since Cuba needs us. We are not tricked; we clearly know the magnitude of this enterprise."

[25 Nov 90, p 2]

[Text] Leuna is an area with great worker traditions.

The old German imperialism founded its basic industries there.

One of them, the chemical complex, was founded in 1916 to produce ammonium. A year after opening, it had 7,000 workers.

Leuna was always a region of proletarian struggle. In 1927, Ernest Thaelmann inaugurated a monument commemorating 54 workers who had been shot by reactionaries.

After World War II, civilian production resumed at the complex with the aid of the Soviet Union. Previously, it was used for the war industry.

It was in Leuna-Werke where a gun was presented to Commander in Chief Fidel Castro during the visit he made to the GDR some years ago. It symbolized the beautiful fighting traditions of the working class.

Now it is one of the largest industrial complexes in the GDR. More than 400 basic products are manufactured in this factory of factories, especially caprolactam (basic raw material for synthetic .ibers) and adhesives.

The oil to run the complex that now employs 30,000 workers, of whom 7,500 belong to the FDJ, comes through the Druzhba (friendship) pipeline.

The plan for this year is 45 million marks. As of October, this strong working class surpassed that figure by 13 million.

Cuban youths came to Leuna-Werke more than a year ago to work and to study.

Klaus Dieter Steinecke is the first secretary of the FDJ at the complex. He is satisfied with the good contacts with the Cubans, particularly with his Cuban counterpart, the UJC.

The joint work has included the formation of youth brigades, participation in different activities, meetings and exchanges.

Now the brigades are fighting to win the right to name each collective after a Cuban martyr.

The Cubans are trained in four specialties: electricity, instrumentation, mechanics (pumps, tubing and compressors) and evaporation.

German work teachers sponsor the Cuban youths who work there. They are satisfied with their learning although the age-old problem always crops up: the language.

A Very Cheerful Man

In spite of being an older man, engineer Gehard Zeidler is very cheerful.

He has taught a group of workers from the Greater Antilles for 15 months. He trained others years before who today are specialists in pipe installations in the Karl Marx cement factory in Cienfuegos.

He already had experience in working with workers from other countries, a so-called Latin-German symbiosis.

Jose Acosta and Alberto Mollinedo who, Gehard said, /are very good workers/ [in boldface] are one example.

During a ceremony held in the complex last 26 July, both Cubans were honored for their outstanding work.

We can apply the popular saying here: /as the teacher goes, so goes the student/ [in boldface].

Mollinedo: "We did not even think about this award since we thought many other youths deserved that distinction....It was unforgettable to receive that award in a joint ceremony in front of our Cuban and German brothers."

Acosta: "I did not have work experience. I finished the SMC [General Military Service] and came to carry out this task.... Imagine my deep pride in receiving the award that was presented to me. As Mollinedo noted, other colleagues in our collective deserved it, too."

In Spite of Cold

Don't think that these youths do not participate in emulations. The cold and the early rising are not obstacles.

During the last emulation, the collective at Leuna-Werke took second place.

Everyone is involved in his contribution to the Second PCC Congress with volunteer days in the factory or in agriculture, wherever!

They also fight to maintain good discipline and personal appearance, learn the language and participate in joint activities with the FDJ.

They hold political and professional conferences where Germans or Cubans participate, depending on the situation.

They have a plan for professional training and sports and cultural activities. (In Leuna there is a folkloric dance group that has already toured most of the country.)

In spite of the fact that, at the beginning, there were various small problems, the truth is that the collective progresses well today.

At the end of the afternoon, we left the factory and went to their residence where we had coffee "a lo cubano" and we sipped vodka to warm our bones.

We saw the order and cleanliness of these Cubans in their residence, a modern building on the outskirts of Leuna.

In spite of the distance, the climate, the language and the customs, the youths have managed to overcome those problems and fulfill the roles that were given to them.

This means 4 years of hard work but in Leuna-Werke worker traditions date back almost a century and the German teachers also fight to graduate good students!

[27 Nov 80, p 2]

[Text] In Berlin it was 2 degrees below zero.

The people walked quickly through the streets to their warm homes. It was after 1700 hours and the sky was almost totally dark.

The city came alive with the neon lights on the main avenues and the lights of hotels and businesses.

In a room at the Cuban Embassy in the GDR, there was a meeting of the party committee. The topic was Second PCC Congress emulation.

We were invited to this meeting. Vicente Pineda, secretary of the party committee at the Cuban mission in the GDR, knew about the reports that JUVENTUD REBELDE had done on the youths from our country who work here. He conceived the idea that the press attend the debates on the selection of the best collective this time.

The emulation project evaluates: work and education commitments, discipline, social conduct (personal aspect and relations in general) and promotion of activities that make better use of free time by the Cuban youths in the GDR.

Also volunteer work, conference plans and other political tasks (acts of solidarity, friendship meetings, etc.) are evaluated.

Although the party is still not completely satisfied, the emulation has yielded results.

These figures for the July, August and September quarter demonstrate this:

Attendance at classrooms, 92 percent; attendance at volunteer work, 45 percent (116,015 marks were collected; the youths cannot always do volunteer work at their enterprises due to the high degree of productivity); political activities, 99.7 percent; and sports, cultural and recreational activities, all more than 50 percent attendance.

The effort of the outstanding collectives is recognized in public ceremonies where the best workers and provinces (there are Cuban youths in 14 provinces of the GDR) are rewarded.

The Debate Began

The Berlin cold was forgotten in the heat of the discussion.

Many opinions were given. There were reports that sometimes did not arrive on time due to the distance.

For example, the cell in the Rostock region made a laudable effort to take care of all the collectives that work in that territory (practically one-third of the GDR). It must be added that this task is performed using available public transportation (bus, train and, least of all, cars).

As in Cuba, volunteer work aims at forming communist awareness in the youths. In the GDR, it has also been proposed to make a contribution to help pay for the expenses of the Second PCC Congress.

However, the high efficiency of many German enterprises means they do not need volunteer work. The youths do not stop at factories. At times, agriculture in the region where they work or live needs manpower and there are the Cubans, making their contribution!

It was also agreed that disciplinary problems be included in the emulation. A policy had to be established with proper application of dialectics.

A certain collective might have had disciplinary problems but the positive reaction of its members raised the group's level of work and study. Should it be rewarded or not?

Things are not as bad as some undisciplined people who have been returned to Cuba have pretended!

When 92 percent of the youths work, study, produce and perform, things are not so bad!

Adding the fact that in many places they are crucial in the fulfillment of the production plans of the enterprises, the image changes completely.

1981: Baton Passes to the UJC

In the coming year, the UJC in the GDR will direct and check emulation for the many inexperienced workers on the other side of the Atlantic. (The ages for selection range from 18 to 25 years.)

There is the background of the Second PCC Congress emulation. It now falls to the youths to create more dynamic methods and contribute experience; that is, to inject it with that dynamic nature that the younger generation possesses.

Santiago, Guerra, Mario, Carlos, Ileana and other members of the UJC bureau are already forming ideas and shaping experiences. (The first three are professional cadres of the UJC there which, in our opinion, is insufficient for the size of the undertaking; they not only attend to workers but also to students on scholarships.)

Emulation will not slow down; on the contrary, it will increase. It is necessary to extend it to Rostock or Magdeburg or any place in the GDR where there are Cuban youths.

With the problems of anything new, this car will start, this time driven by the UJC.

It will unquestionably yield results. The experience of the year about to end demonstrates this.

As pineda told us at the end of the party meeting, the youths in the GDR are the same as those in Cuba—those who cut cane or go to Moa to do difficult tasks, those who have responsibility for important tasks for the development of the country. We cannot deceive ourselves. Although this task is new and not without problems, we will fulfill it and do it well as the occasion demands!

[28 Nov 80, p 2]

[Text] "I would put the words in your hands as if they were the land itself with its valleys."

It was a Sunday in November. The early cold continued to afflict Berlin.

Hundreds of Cubans met at the EAW auditorium. I was in this factory about a month before and I interviewed several Cubans and Germans.

Therefore, some happy faces that I saw now were already familiar to me: Munagorri (winner of the individual emulation); Papa Gunter who saw me and ran to give me a hug; and Nicasio, the patient collective chief whom I knew in his native Perico, Matanzas. There were greetings and handshakes.

The heating in the building was not working well that day. It forced more than one of us to go find our coats to heat our numb bodies.

Little by little, the atmosphere warmed up in the applause for the most distinguished: Serrano Vaillant, Tomas Garay, Huga Pacheco and Hector Munagorri. They epitomized the motto white letters on a red cloth: the best homage is daily fulfillment of duty.

The pioneers, seed from which new generations will emerge, made their voices heard at the assembly.

The banner was presented to the best province, Berlin, where more than 400 youths now work.

The principal tasks done by the collectives in the capital during the July-September quarter included: training, labor discipline, productivity, participation in activities (political, sports and cultural) and volunteer work.

Machinists, assembly mechanics, metalworkers, maintenance mechanics and skilled workers in the production of rubber derivatives and in electronics are being trained in Berlin.

The Germans feel the Cuban youths have a promising future because of their work, interest in training, discipline and the development of joint activities for the use of free time.

Those in Berlin did not have "a special secret" to win the emulation; not at all!

They simply held meetings with all the political and mass factors in the different collectives of the province. They held spontaneous meetings and developed many tasks with the UJC.

Each meeting, each contact, served as a framework to critically analyze problems and deficiencies and to adopt plans to counteract any negative situation. The results could not have been better. After 3 months of hard work, they won the prize.

There were several speakers and many emotional embraces. The effort of the best was rewarded.

Memories: A Parenthesis

While the ceremony was taking place and I observed the happy faces of the youths in the Berlin EAW auditorium, recent memories came to mind.

The day before, I had participated in a meeting in Brandeburg with Santiago Morales, UJC representative in the GDR, and Ileana Martin-Carrera, member of its bureau.

It was a regular contact of the local committee in an enterprise where several aspects would be analyzed: emulation, discipline and internal life. Things were not so happy there.

There were organizational problems related to the placement of youths to be sent to the GDR and other internal and personal problems. Everything was not as it should have been

The meeting lasted several hours and served to present the problems and begin to solve them as much as possible.

The contrast between this meeting and the ceremony Sunday at the Berlin enterprise was noticeable.

It helped us evaluate the magnitude of the difficult task of the UJC cadres in the GDR and to learn more about the problems.

Nevertheless, the collectives in Berlin went through similar situations.

The political work was reinforced, it was discussed in depth with the people and positive results began to appear.

We do not have any doubt that the same thing will happen in Brandeburg. The youths will learn to respond energetically and firmly in spite of the problems. The task entrusted to them will progress.

The cold on this Sunday in November continued to penetrate. The faint sun that bathed the streets was not enough to warm the body.

Tomorrow afternoon I would be flying back to Havana. In the airplane I began to shape these ideas for the report. The names of the distinguished youths and the UJC cadres in charge of organizing and encouraging the political-ideological work with the thousands of Cubans in the GDR came to mind.

I thought that the names of the distinguished would be repeated throughout the GDR and the problems of Brandeburg would be solved. Sooner rather than later, the task would be carried out in its full magnitude.

The most significant thing is that it already yields results. Vaillant, Garay, Munagorri and the others are on the job, winning honor for the fatherland. Their example will be multiplied by thousands because they are the prolog to this history.

7717 CSO: 3010 COUNTRY SECTION EL SALVADOR

#### MAJANO LEAVES EL SALVADOR ON UNDISCLOSED MISSION, INTERVIEWED

Rio de Janeiro JORNAL DO BRASIL in Portuguese 29 Nov 80 p 15

[Published excerpts of interview with Col Adolfo Majano, member of the Salvadoran Junta, by Silio Boccanera; date and place not given]

[Excerpts] San Salvador--Amid indications of change in the makeup of the criticized Salvadoran Government, Col Adolfo Majano, the main target in the government of the forces of the right, left the country very quietly on Thursday, a fact which became known here yesterday.

Spokesmen of the civilian-military government junta did not explain yesterday to which country the colonel went nor why he left El Salvador at such a critical moment, critical because of the murder of the five key opposition members. Foreign diplomats who requested explanations on the trip were told that Majano will return "in two days."

Portions of the Interview

[Question] What main difficulties do you see at this time for your government plan?

[Answer] The 15 October movement (the military movement which seized power at that time last year) sought a political understanding among the various forces in the country, at the same time that it proposed economic reforms. That harmed some interests, which immediately reacted and placed obstacles in the path of our plan. That was the right. As far as the left is concerned, armed groups also showed their opposition to our plan and they fight to create obstacles.

[Question] Why do the groups of the right point you out as the main obstacle?

[Answer] My idea is that a reform be accomplished in this country, that the old imbalance in society be corrected; that the solution seek to reach the real causes of the problem, eliminating poverty. It is necessary to provide the deprived people with a decent existence. And that is not a pretext for attacking the left but rather an attempt to raise the standard of living of the people. Conservative groups have always managed to manipulate previous attempts at reform in this country and now you will find that they will do the same. However, I would rather leave the government than abandon my ideas of reform.

[Question] What impact did the election of Ronald Reagan as president of the United States have on El Salvador?

[Answer] It had immediate repercussions, primarily among the conservative sectors to which I referred. They believed they saw in that election a hope of recovering power. However, personally, I have the impression that these people are mistaken. There are two important aspects: First, the nature and the feelings of the American people will cause them to support us morally and the president-elect will have to respect that; second, the process in this country is not the result of our personal initiatives but of the hopes of our people. Whoever tries to block the path to the satisfaction of those hopes will be pitting himself against a very great power, the power of the people. Those who would try to reverse this process would be making a mistake.

[Question] Does a conspiracy to block reforms exist?

[Answer] It is difficult to determine the existence of a conspiracy, which can manifest itself in various ways. In previous months there was a period of marking time but recently the effort by the right to recover power has increased. It resorts to attacks, lies and other activities to discredit the government and some of its members. That began again this month.

[Question] Could it be the results of the U.S. elections?

[Answer] Possibly. I do not want to establish a direct link but it is possible that the right had been waiting hopefully for the results of the elections. However, there is a rebirth of conspiratorial activities. There are more attacks.

[Question] Do you believe there is a chance the conspiracy will be successful?

[Answer] I cannot grant them the possibility of success. They may eliminate or drive away some members of government, including myself, but they will not be able to reverse or halt reforms.

[Question] But as far as the most immediate objective of removing you from government, you do not consider it so difficult?

[Answer] We are going to try to prevent it, but it is conceivable.

[Question] Could the present makeup of the Junta survive, let us say, two months?

[Answer] It is difficult to set dates. The situation developed day by day. Time is valuable. It is necessary to seek a political solution. An effort at a peaceful solution must be made.

[Question] What do you think of the proposal by the Church to arrange a meeting between the government and the opposition in the Revolutionary Democratic Front [FDR]? (Note: The interview took place before the murder of the five FDR key members).

[Answer] The 15 October Movement presupposed a political pluralism. That is understood to mean talking with all sectors of the country. I have an enormous respect for the voice of the Church, a very important factor in seeking justice in our society. It has much credibility. I do not discount any type of political and social faction. All of them can be talked to.

[Question] Many say that a rightist coup in this country would consist simply of removing you from power. What do you think?

[Answer] My position here is only one of work to satisfy the needs of the people. I would not be able to say if a rightist coup would mean only removing me (from government). I can say for sure that the right increased its firepower to shoot me out of the government.

[Question] Do you feel any pressure?

[Answer] Your question is very direct and I shall give you a direct answer: Yes, I do.

[Question] Do you feel isolated in the Junta?

[Answer] I cannot deny that my positions in the Junta today have less support than at first. That can mean a loss of influence, of decision-making power. However, I tried to remain loyal to my convictions.

[Question] What strength do the conspirators have?

[Answer] They have enough strength to destabilize the country in general and also to remove some of the members of the Junta.

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